

2003 Business Plan

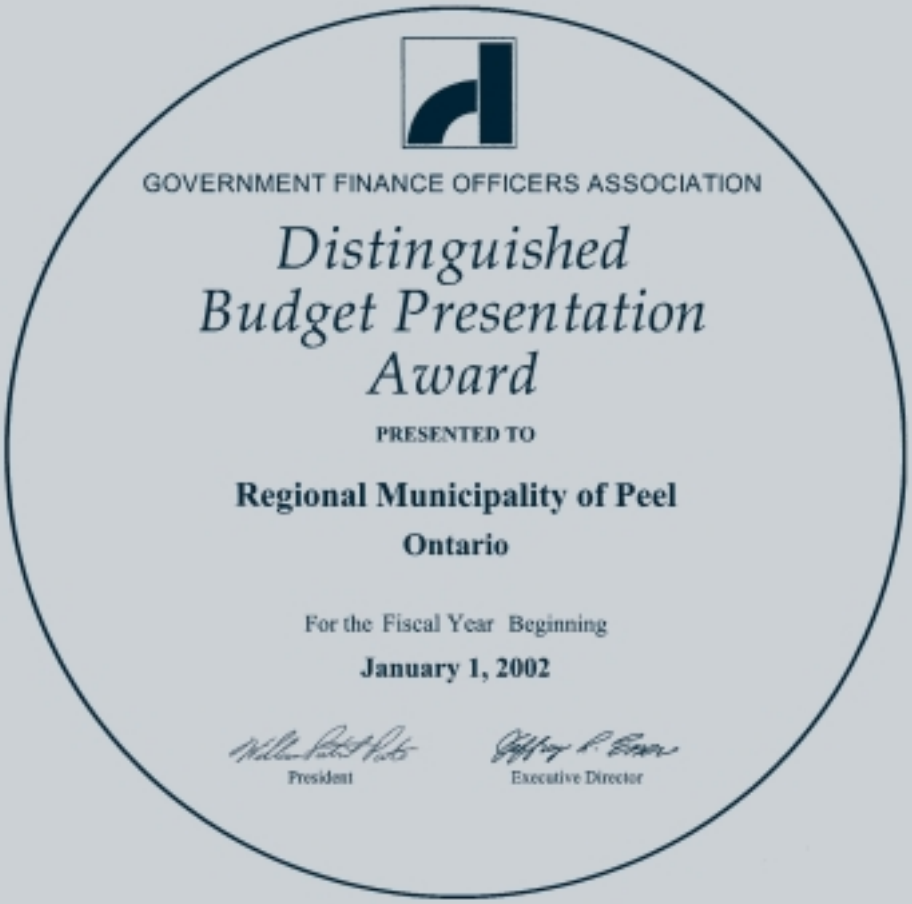
Executive Summary

Introduction and Discussion

2003 Current Budget

2003 Capital Budget and 2004 – 2012 Capital Forecast

Region of Peel
Working for you



GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

Regional Municipality of Peel

Ontario

For the Fiscal Year Beginning

January 1, 2002

President

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to Regional Municipality of Peel, Ontario for its annual budget for the fiscal year beginning January 1, 2002. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

Introduction and Discussion

Introduction

5 Table of Contents
6 A Message from the Chair and Chief Administrative Officer
8 Accomplishments in 2002
12 An Award-Winning Municipality

General

16 Table of Contents
18 Reader's Guide
22 Access to Regional Government Services

Corporate Overview

24 Regional Government Structure
26 Regional Council
29 Executive Management Team
30 Corporate Organization Chart
32 Staffing Summary for Years 2001-2003
33 Staffing Changes 2002 vs. 2003

Peel Profile

34 Background
36 Maps - Eastern Canada and U.S.A.
37 - Greater Toronto Area (GTA)
38 - Land Use in the Region of Peel
39 Community Profile
40 Infrastructure and Resources (for 2003)
41 Major Employers
42 Population Growth
43 Services Provided to Residents

Corporate Priorities

46 Vision and Mission Statements
47 Regional Values
48 ***Regional Official Plan***
50 Strategic Plan - ***Directions for Success: Investing in Peel's Future***
53 Financial Management
66 Corporate Performance Measurement and Benchmarking

Service Strategy/Business Plan Process

70 Table of Contents
72 Service Strategy/Business Plan Process
74 Service Strategy/Business Plan Cycle
75 Service Strategy/Business Plan Timetable
76 2003 Budget Guidelines
77 2003 Budget Assumptions
78 Budget Philosophy
79 Service Strategy/Business Plan Format
84 Budget Amendments
85 Basis of Accounting and Budgeting

Highlights

88 Table of Contents
90 Introduction
92 2003 Current Budget Highlights
93 Property Tax Supported Budget
95 - 2003 Property Tax Supported Budget Pressures/Issues
101 Utility Rate Supported Budget
103 - 2003 Utility Rate Supported Budget Pressures/Issues
105 Distribution of Total Program Expenditures
106 Revenue Trends
110 Tax Levy Apportionment
112 2003 Property Tax Apportionment Calculations
113 Current Value Assessment
114 Current Value Assessment/Weighted Assessment for 2003
115 Current Summary Schedules
115 - Descriptions of Revenue Classifications
116 - Descriptions of Expenditure Classifications
118 - 2003 Budget Summary by Program
119 - Total Program Expenditure and Revenue Summary
120 - Revenue and Expenditure Summary by Account
122 2003 Capital Budget and 2004 – 2012 Capital Forecast
125 Ten Year Capital Plan Highlights 2003-2012
127 Impact of the 2003 Capital Budget on the Current Budget
129 2003 Sources of Financing by Program
130 2003-2012 Sources of Financing by Program

132 Reserves and Reserve Funds
134 Description of Major Types of Reserves and Reserve Funds
136 Continuity Schedule of Reserves and Reserve Funds
137 Reserve and Reserve Fund Balances by Program
138 Long-Term Debt

Glossary of Terms

For a very high level review of the entire ***2003 Business Plan***, please refer to the ***2003 Executive Summary*** document.

For a high level current budget discussion of both the property tax and utility rate supported budgets along with program service strategy/business plan details, please refer to the ***2003 Current Budget*** document.

For information by program related to the 2003 capital budget and forecast to 2012, please refer to the ***2003 Capital Budget and 2004 – 2012 Capital Forecast*** document.

Introduction

6 **A Message from the Chair and Chief Administrative Officer**

8 **Accomplishments in 2002**

12 **An Award-Winning Municipality**







A Message From the Chair and Chief Administrative Officer

The Region of Peel continues to be one of the best managed governments in North America. This statement is supported by the Region's history of accomplishments that include:

- Securing no tax increase for Regional controlled programs while maintaining some of the lowest tax rates and user fees in the Greater Toronto Area (GTA)
- Continuing to maintain a Triple-A credit rating
- Continuing to finance the capital needs of the Region on a "Pay as You Go" basis, avoiding the use of debt
- Achieving this fiscally sound management while still enhancing service levels and meeting the needs of the Region's citizens
- Being recognized through numerous awards and excellence programs including being the first municipality in Canada to receive a Level Two Progressive Excellence Program (PEP) Award from the National Quality Institute (NQI)

The Region's success can be directly attributed to its focus on strategic planning and development of strong business and operational plans.

In 2003, this tradition continues. The 2003 Business Plan balances the needs of today and tomorrow and ensures the Region is in a strong position to address future challenges.

There is no tax increase for Regionally controlled programs. There will be a tax rate increase of 2.6 per cent (or $33 to the average homeowner) to enhance police programs, and an average utility rate increase of 2.2 per cent (or $6 per average household) will go toward capital initiatives in water and wastewater treatment as required by legislation.

The approved current budget of $921 million provides for many ongoing services including the traditional hard services such as waste collection, water and wastewater treatment, the Regional road system and human services including policing services, ambulance services, social services and health services. Along with these on-going programs, the approved budget includes numerous increases to service levels such as:

- The acquisition of two new ambulance vehicles to provide 12,500 more hours of service
- Improvements to health services to increase food inspection and advance disease control
- An increase in TransHelp trips by 13,500 per year
- Two new long-term care facilities to provide care for 320 seniors
- An increase in staffing levels for policing services to improve response time, augment existing street crime initiatives and ensure overall efficiency and effectiveness

The business plan also includes a significant commitment to investment in capital infrastructure. The 10-Year Capital Plan of $2.3 billion ensures that the Region of Peel's existing infrastructure is well maintained and that needs are met both for the current population and future growth.

- Three new housing projects that will provide 125 new homes
- Significant road and intersection improvements

2003 will not be without its challenges. International events, the increase in concern for public health with the presence of the Severe Acute Respiratory Syndrome (SARS) and the West Nile Virus, the rapid pace of growth in Peel and an aging population are key challenges the Region faces going forward.

We are confident that the 2003 plan places the Region of Peel in a strong position to continue providing the highest level of service to its residents.

Emil Kolb
Regional Chair

Roger Maloney
Chief Administrative Officer



Accomplishments in 2002

Building on our Current Successes

The Region of Peel enjoys a reputation for leadership and innovation in municipal government.

The following examples describe some of Peel's many achievements in 2002:

Fiscally well-managed

- Maintained a Triple-A credit rating, which is the best credit rating available in Canada
- Developed a ***Tax Policy Handbook*** and posted it on Peel's website to clarify tax policy implications
- Total return on investment exceeded market benchmarks by 100 basis points
- Provided taxpayers with some of the lowest tax rates and user fees in Canada
- Continued to support the "pay as you go" capital financing strategy by maintaining a strong cash position with low levels of debt.

Efficient, affordable infrastructure and resources to service current and planned needs

- Continued to provide the lowest water and wastewater rates in the Greater Toronto Area (GTA)
- Maintained the lowest development charges in the GTA
- Established the Britannia Gas Utilization Project to produce "green" electrical power by capturing methane gas at the closed Britannia Sanitary Landfill Site

- Opened a second Community Recycling Centre (CRC) as planned in the Region's ***Long-Term Waste Resource Management Strategy*** (LTWRMS)
- Negotiated eight collective agreements without labour interruptions
- Implemented Computer Upgrades for Peel's Information Devices (CUPID) ensuring that employee desktop technology is up-to-date
- Installed a record volume of new water meters
- Opened a new Police sub-office in Mississauga.

Noted for innovative, cost-effective services and programs

- Hosted the Peel Children's Water Festival, where over 5,000 students were given the opportunity to learn about the importance of water and the environment
- Developed a communication strategy for the West Nile Virus that included a specialized Web site, video and other collateral materials
- Conducted a corporate-wide excellence assessment
- Implemented electronic water and wastewater billing
- Published the first annual ***State of Region's Health Report*** and launch of the ***Child Health Report***
- Planned and implemented the Early Years Family Fair and Early Years Conference
- Participated in a provincial social assistance Intake Screening Units of Ontario (ISUOO) study and scored positive results in a compliance audit
- Developed a Region of Peel Corporate Smog Response Plan
- Celebrated 10 years of success for the Peel Heart Health Network
- Outsourced opening, proofing and processing of water and wastewater bills and payments
- ***Environmental Science & Engineering Magazine***, a national publication, featured a two-page article on new developments for Peel's wastewater treatment plants including highlights of the plant expansion program
- Expanded the scope of the Outreach Program, a program to help the homeless and those individuals and families in Peel who are at risk of losing their housing, from a pilot project to an ongoing service with contributions from Public Health, Social Services, Housing and community agencies

- The Police Threat Assessment Program was implemented and fully operational in 2002. The Unit completed 260 assessments, including sex offences, sexual assault, domestic violence, targeted threats, criminal harassment and high risk releases
- Implemented a gun stoppers program that involves school-aged children and targets weapons found on or near school property
- Solvency rates, for both violent and property crimes, continue to exceed both provincial and national averages.

Strong, well-managed growth

- Initiated the ***Regional Official Plan Strategic Update*** (ROPSU)
- Conducted the Springdale Transportation study in co-operation with the City of Brampton
- Completed the West-Central Peel Transportation study in co-operation with area municipalities, the Ministry of Transportation and GO Transit.

Partnerships are a recognized and valued way of doing business

- Developed an Anti-bullying Strategy for schools through a collaborative effort between the Public Health Department, Peel Regional Police and Peel District School Board
- Established a funding partnership with Peel Children's Aid Society to provide a preventative Early Childhood Education and Care Program so that children at risk can remain in their homes
- Participated in developing Inter-municipal Mutual Aid Agreements with York Region, Halton Region, and the City of Toronto
- Expanded the Public Sector Network (PSN) so that 157 Peel public sector sites for the Region, City of Brampton, City of Mississauga, Credit Valley Hospital, Trillium Health Centre, William Osler Health Centre and Sheridan College are connected
- Implemented an Ontario-wide Second-hand Smoke media campaign with $750,000 in financial support from Health Canada
- Provided an opportunity for sculptors living in Canada to display their talents in a national sculpture contest sponsored by the Art Gallery of Peel, the Susan DiMarco Fund and the Edward Delmedico Family

- Connected the Town of Bolton to Peel's lake-based water system to ensure that Bolton residents have sufficient water
- Implemented the "Open the Door to Better Futures" Initiative, a pilot work experience and life skills training program for unemployed single parents, financed with funding assistance from Human Resources Development Canada (HRDC) and the Ontario Early Years Challenge Fund (OEYCF)
- Participated in the Doors Open Brampton event so that over 11,000 site visits were made to buildings not normally open to the public.

Community Organizations

- Arranged for Goodwill, a non-profit charitable organization, to operate the re-use store at the Brampton Community Recycling Centre (CRC) so that the sale of donated items can benefit people facing employment barriers
- Participated in the Love Me, Buckle Me Right Day, in collaboration with Peel Regional Police, the Ontario Provincial Police (O.P.P.), the Ministry of Transportation, St. John Ambulance, Co-operator's Insurance Group, Peel Public Health Department, Peel Fire and Emergency Services (Brampton, Caledon and Mississauga), Century/Graco, Wee-cycled and the Peel Base Hospital Paramedic Program to educate the public about proper child car seat safety, to reduce injuries and deaths.

Global Recognition

- Presented an overview of the social assistance system to a delegation of Korean government officials
- Hosted a delegation of Slovak Republic and Canadian Urban Institute members on the topic of service delivery by the Ontario Works, Public Health and Long-Term Care programs
- Presented an overview of Regional Planning including the ***Regional Official Plan Strategic Update*** (ROPSU) and the Geographic Information System (GIS) to a 20-member delegation from the People's Republic of China.



An Award-Winning Municipality

Since its formation in 1974, the Region of Peel has received many awards, accolades and certificates of excellence for its programs and services, demonstrating the Region's commitment to quality and adherence to best practices.

The awards listed below, received in 2002, are an acknowledgement of the Region's outstanding contributions to the community and recognition of the accomplishments of Regional employees. This extensive list of awards is a strong endorsement of the Region as a leader in quality program and service delivery.

Corporate Services

- Canadian Public Relations Society 2002 Achieving Communications Excellence Bronze Awards for: Publications (***Inside Peel,*** employee newsletter), Audio Visual (Regional Values video), Marketing Communications (Paramedic Week in Peel) and Silver Awards in the Web site category for the Regional Web site and Community Relations for the Peel Children's Water Festival
- The Electronic Information Management project, which involved staff from the Corporate Services department and Information Technology division, won the following awards in 2002:

  E.A. Danby Award for Outstanding Achievement in Improving Performance from the Association of Municipal Managers, Clerks and Treasurers of Ontario

  Honourable Mention in the Business Applications Category at Open Text's LiveLinkUp Awards ceremony

Corporate Services (cont'd)

For the third consecutive year Showcase Ontario 2002 Awards of Excellence presented the Electronic Information Management (EIM) team with an Award of Merit under the Organizational Transformation category

- Peel Regional Ambulance Services paramedics were awarded the Regional Chair's Award for Paramedic Excellence.

Corporate Finance

- Received the Region's third Distinguished Budget Presentation Award from the Government Finance Officers Association (GFOA) in 2002.

Executive

- First municipality to receive a Level Two Progressive Excellence Program Award from the National Quality Institute (NQI).

Information Technology

- Received both the Technology in Government and Showcase Ontario awards for the Public Sector Network (PSN)
- First Place Award for the Geographic Information System (GIS) in the Best Municipal GIS Challenge, organized by the Urban Regional Information Systems Association.

Public Works

- The Commissioner of Public Works was presented with the 2002 Public Works Leader of the Year award by the Ontario Chapter of the American Public Works Association in recognition of outstanding career achievements of public works professionals
- Recipient of the Ontario Good Roads Association Better Practices Competition Award for Innovative Service Delivery by demonstrating how the Region's ongoing collaboration and partnerships with the Cities of Brampton and Mississauga and the Town of Caledon are vital in providing cost-effective and efficient road maintenance services
- The Power User Award was presented to the Public Works Department by Hansen Information Technologies in recognition of Peel's leadership role in the development of the Asset Information Management System (AIMS)

- Awarded $100,000 from the Green Municipal Funds for an innovative study on diversion of solid waste and biosolids from landfill sites.

Public Health

- A national award for excellence in the Communication Projects category was received from the Canadian Public Relations Society for ***My Parenting Story***, an awareness raising and educational publication for parents of young children
- Silver Leaf Award of Excellence presented by the International Association of Business Communicators for the ***School Health Profiler***, a publication for elementary and senior public school teachers
- 2002 Ovation Award of Merit for Communications Management presented by the International Association of Business Communicators for ***Breathe In Smoke-Free Air – Smoke-Free By-law Education Campaign***, a public campaign to raise awareness of the benefits of smoke-free environments
- The Pandemic Influenza Crisis Communication Plan won first place in the Crisis Communications category of the Hygeia Awards program for excellence in health care communication from the Healthcare Public Relations Association
- Public Health's Peel Car Seat Program, which encourages the proper use of car seats to reduce injury and death, won an Ontario Crime Control Commission Award of Excellence for Fighting Crime.

Regional Planning

- The Region of Peel received the following awards related to the report entitled ***Oak Ridges Moraine – Proposals for the Protection and Management of a Unique Landscape:***

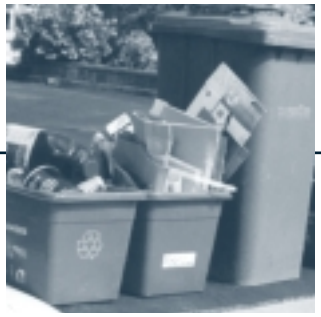
  - in partnership with the Regions of Durham and York, received the 2002 Innovation Award for Planning Excellence from the Canadian Institute of Planners

  -Excellence in Planning 2002 Award from the Ontario Professional Planners Institute in the Planning Studies/Reports category.

Peel Regional Police

- Awarded re-accreditation by the Commission on Accreditation for Law Enforcement Agencies
- Police Chief Noel P. Catney was honoured nationally on May 17th with his investiture into the Governor General's Order of Merit of the Police Forces. Her Majesty Queen Elizabeth II established the Order of Merit to honour a career of exceptional and conspicuous service and distinctive merit
- Chief Catney was the recipient of the Kiwanis Mel Osborne Award for Community Service
- The Commercial Auto Crime Bureau received an award in the Auto Theft Category from the Toronto Chapter of the American Society of Industrial Security
- The Catholic Women's League recognized Peel Regional Police (PRP) for its role in initiating the Internet Safety Program
- Members of the Robbery Bureau were awarded both the Mississauga Real Estate Board Award and the Mississauga Police Officers of the Year Award, in addition to being recognized in the Legislative Assembly of Ontario for its successful investigation of a major robbery
- The National Association of Indo-Canadians awarded an annual Community Service Award to members of the Race and Ethnic Relations Bureau.

General





18 **Reader's Guide**

22 **Access to Regional Government Services**

Corporate Overview

24 Regional Government Structure

26 Regional Council

29 Executive Management Team

30 Corporate Organization Chart

32 Staffing Summary for Years 2001-2003

33 Staffing Changes 2002 vs. 2003

Peel Profile

34 Background

36 Maps - Eastern Canada and U.S.A.
- Greater Toronto Area (GTA)
- Land Use in the Region of Peel

39 Community Profile

40 Infrastructure and Resources (for 2003)

41 Major Employers

42 Population Growth

43 Services Provided to Residents

Corporate Priorities

46 Vision and Mission Statements

47 Regional Values

48 ***Regional Official Plan***

50 Strategic Plan - ***Directions for Success: Investing in Peel's Future***

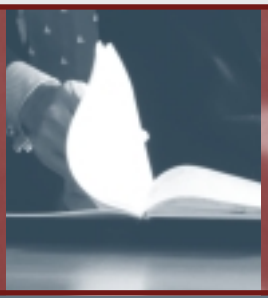
53 Financial Management

66 Corporate Performance Measurement and Benchmarking



2003 Business Plan





Reader's Guide

For the first time, the Region's business plan has incorporated a service strategy for each Region controlled program and is called a Service Strategy/Business Plan.

This is the plan that sets out what services will be provided at the department, division, business and program level and how they will be provided. Each Service Strategy/ Business Plan has five primary components: Mandate, Objectives, Actions, Financial Requirements (the budget), and Success Indicators. The Service Strategy portion of the plan will be reworked with every new term of council (three years); however, the Business Plan portion will be reviewed and adjusted each year.

External organizations have not been required to develop a service strategy; therefore, the plans for all organizations following the tab "Region Financed External Organizations", in the ***2003 Current Budget*** document, are strictly business plans (budgets).

There is a significant amount of material presented in the Region's ***2003 Business Plan*** document and individual reader interests may vary. Although the tables of contents provide detailed referencing, this guide will direct the reader to particular areas of interest.

The Region's ***2003 Business Plan*** is presented in four separate documents as follows:

- ***2003 Executive Summary***
- ***2003 Introduction and Discussion***
- ***2003 Current Budget***
- ***2003 Capital Budget and 2004 – 2012 Capital Forecast.***

Readers Interested in a Concise Business Plan Overview

For readers whose interest is a very high level review of the business plan, the ***2003 Executive Summary*** document provides this overview.

Readers Unfamiliar with the Region of Peel

A review of the ***2003 Introduction and Discussion*** document containing the introduction, corporate overview, background information, corporate priorities and the service strategy/business plan process sections provides an in-depth introduction to the Region. The Access to Regional Government Services and the Service Strategy/Business Plan Process sections provide further background information. The reader could then direct their attention to other specific areas as noted below.

Readers Interested in a General 2003 Business Plan Overview and Specific Current Budget Information

The highlights section of the ***2003 Current Budget*** document provides a high level current budget discussion for both the property tax and utility rate supported budgets. Property tax and user rate impacts and contributing factors are discussed in detail in this section. Graphs and charts are used to provide "at a glance" impacts. Program service strategy/business plan details and a glossary of terms are also included.

Following the tabs "Region Controlled Programs" and "Internal Support Services" in the ***2003 Current Budget*** document, a discussion of each program is presented (where applicable) under the following headings:

A. Background
B. Description of Current Services
C. Trends and Issues
D. Mandate, Objectives and Actions
E. Monitoring and Measuring the Service Strategy/Business Plan
F. 2003 Financial Requirements Presentation
(sections F.1 – F.3 only; sections F.4 and F.5 form part of the ***2003 Capital Budget and 2004 – 2012 Capital Forecast*** document).

Starting with the tab "Region Financed External Organizations" in the ***2003 Current Budget*** document, a discussion of each external organization is presented (where applicable) under the following headings:

A. Business Plan
(section A.4 also forms part of the ***2003 Capital Budget and 2004 – 2012 Capital Forecast*** document)

B. Corporate Performance Measurement

C. Current Budget

D. 2003 Capital Budget & Forecast to 2012
(this section can be found in the ***2003 Capital Budget and 2004 – 2012 Capital Forecast*** document under the appropriate tab).

Readers Interested in the Capital Budget

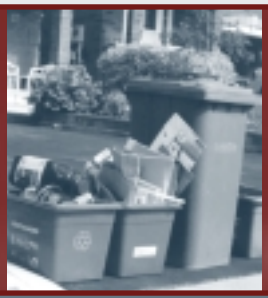
The highlights section of the ***2003 Capital Budget and 2004 – 2012 Capital Forecast*** document provides a high level capital budget discussion including the 10-year capital plan and reserves.

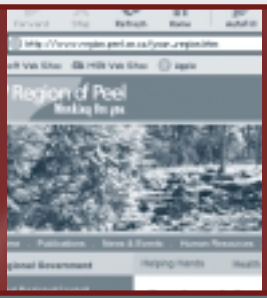
A detailed discussion of each program's capital plan including project details for Region Controlled and Internal Support Programs is included in section F. 2003 Financial Requirements Presentation, sub-sections F.4 and F.5. For Region Financed External Organizations, each capital plan is included in A.4 Business Plan Highlights and in section D.

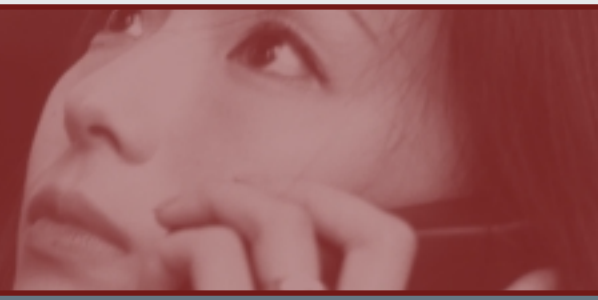
*The complete **2003 Business Plan** document is accessible on the Region's Web site at www.region.peel.on.ca. A hard copy or CD format can be requested by contacting the Region of Peel Finance Department at 905-791-7800 during business hours 8:30 a.m. – 4:30 p.m. Monday to Friday.*

2003 Business Plan









Access to Regional Government Services

The Region of Peel is a leader among Ontario municipalities in efficient and effective service delivery. As such, there are a number of ways that residents, businesses and organizations can access the services they require.

Access Peel is the customer service facility located at the Region of Peel headquarters at 10 Peel Centre Drive in Brampton. Access Peel is staffed by customer service representatives Monday through Friday, 8 a.m. to 5 p.m. and can be reached by phone at 905-791-7800, extension 4636. Residents of Caledon who are outside the local calling area can call 905-584-2216 toll-free. During normal business hours, visitors to Access Peel can:

- Pay Regional invoices including water and wastewater bills, child care invoices and special assessment invoices
- Purchase or exchange recycling boxes
- Purchase backyard composters
- Purchase garbage tags
- Surf the Region's Web site at the computer kiosk
- Review current job opportunities within the Region's facilities on the Web site
- Drop off resumes and applications for current job opportunities
- View property tax assessment roll information on properties in the Region of Peel
- Pick up brochures regarding Regional programs and services
- Purchase corporate gifts (Regional promotional items)
- Pick up water sampling kits
- Purchase copies of the ***Regional Official Plan*** and the ***Street Name Index.***

After hours access for calls related to Public Works emergency services (including water, wastewater and road operations) can be gained by calling 905-791-7800.

The Region of Peel Web site can be accessed 24 hours a day, seven days a week at www.region.peel.on.ca. By accessing the site, the public can view information related, but not limited to, the following:

- Information about/access to our many programs and services, including phone numbers, maps and email addresses
- Regional Council information, including contact information for Councillors and Council meeting agendas
- The latest news on upcoming events and issues affecting residents
- What's happening in the Region
- Access to Corporate documents including the Region's Business Plan, Annual Report, etc.



Corporate Overview

Regional Government Structure

Peel Region is governed by the upper tier of a two-tier system of local government. The official name of the upper tier is the Regional Municipality of Peel. It is also referred to as the Region of Peel, Regional government, or simply, the Region.

The Regional Municipality of Peel was incorporated in 1974 based on the principle that certain community and infrastructure services such as community health, water, wastewater and waste collection are most effectively administered over a larger geographical area.

Three area municipalities (also referred to as local or constituent municipalities) comprise the lower tier of the two-tier regional system of government. Each is known as an area municipality because, unlike most city municipalities, their large areas contain former towns and villages, hamlets, agricultural areas and parklands. The three municipalities are the City of Mississauga, the City of Brampton and the Town of Caledon.

The Region is divided into 25 wards, nine in Mississauga, 11 in Brampton and five in Caledon. Councillors are elected from each ward; some are responsible for more than one ward. Councillors serve for a three-year term; the next election will be held in November of this year. Candidates do not campaign over the whole municipality but only in 'their' ward(s) and voters are limited to choosing the candidates in the ward in which they exercise their franchise to vote.

The Regional Chair and a 21-member Council, representing its member municipalities, govern Peel Region. Mississauga is represented on Regional Council by its Mayor and nine Councillors, Brampton by its Mayor and five Councillors and Caledon by its

Mayor and four Councillors. Mayors are automatically members of Regional Council. These 21 representatives elect the Regional Chair.

The Regional Chair is the political head of the Region and is also the Chief Executive Officer (CEO) of the Regional Corporation. It is the responsibility of the Chair to preside over meetings of Council and to ensure its decisions are implemented. To accomplish this, the Chair represents the Region in dealing with other levels of government and plays a strong liaison role with Regional staff through the Chief Administrative Officer (CAO). Emil Kolb has served as Regional Chair since 1991.

The CAO is the most senior staff position in the Region of Peel. Reporting to the Regional Chair and Regional Council, the CAO is responsible for co-ordination of all administrative and service functions within the Region and for the overall management of the Regional Corporation. As the Region's most senior staff member, the CAO is also responsible for policy development, implementation and administration inclusive of the Region's capital and operating budgets.

Regional Council meets to make decisions, pass by-laws and examine specific items arising from constituents and business units within the Region. Business units report to Council through General Committee on items related to Planning, Housing and Property, Public Works, Human Services (Social Services and Health), and Management (Corporate Services, Executive Office, Human Resources and Finance). All Councillors serve on General Committee, which meets on Thursdays one week prior to Regional Council. In addition, Councillors serve on a number of subcommittees and advisory committees, which are struck by Regional Council and meet as required.

Regional Council

Council is the policy-making body of the Region.

The Region Council consists of 22 members.

- The Regional Chair
- The Mayor of each lower-tier municipality (3)
- Nine members of Council from the City of Mississauga
- Five members of Council from the City of Brampton
- Four members of Council from the Town of Caledon

The Councillors for the 2001-2003 term are as follows:



Rhoda Begley
Brampton - Wards 8, 9



Lorna Bissell
Brampton - Wards 1, 5



George Carlson
Mississauga - Ward 6



Carmen Corbasson
Mississauga - Wards 1



Frank Dale
Mississauga - Ward 4



Susan DiMarco
Brampton - Wards 3, 4

Regional Council



Susan Fennell
Mayor - Brampton



Cliff Gyles
Mississauga - Ward 5



Chris Harker
Caledon - Ward 5



Nando Iannicca
Mississauga - Ward 7



Emil Kolb
Chair



Katie Mahoney
Mississauga - Ward 8



Hazel McCallion
Mayor - Mississauga



Gael Miles
Brampton - Wards 7, 11



Marolyn Morrison
Caledon - Ward 2

Regional Council



Patricia Mullin
Mississauga - Ward 2



Paul Palleschi
Brampton - Wards 2, 6, 10



Maja Prentice
Mississauga - Ward 3



Pat Saito
Mississauga - Ward 9



Carol Seglins
Mayor - Caledon



Ian Sinclair
Caledon - Ward 1



Richard Whitehead
Caledon - Wards 3, 4

Executive Management Team



Roger Maloney
Chief Administrative Officer



Keith Ward
Commissioner of Housing and Property



Peter Graham
Commissioner of Health



David Szwarc
Commissioner of Social Services



Nicholas Tunnacliffe
Commissioner of Planning



Mitch Zamojc
Commissioner of Public Works



Dan Labrecque
Treasurer and Commissioner of Finance

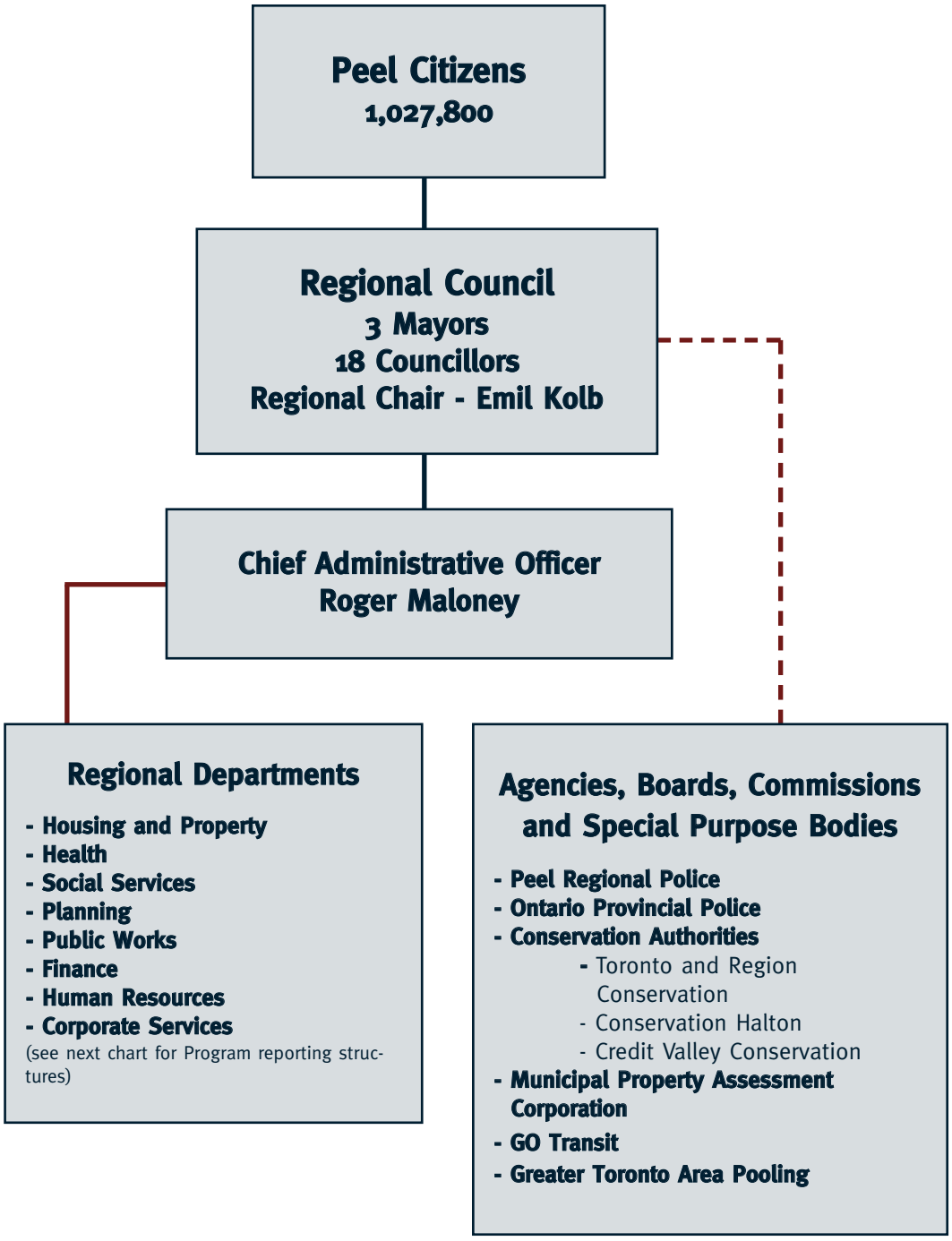


Laura Nashman
Commissioner of Human Resources



R. Kent Gillespie
Commissioner of Corporate Services and Regional Solicitor

Corporate Organization Chart



Corporate Organization Chart

HOUSING AND PROPERTY
Keith Ward
Commissioner

- Housing Policy and Program
- Heritage
- Property Services

HEALTH
Peter Graham
Commissioner

- Public Health
- Long-Term Care

SOCIAL SERVICES
David Szwarc
Commissioner

- Ontario Works
- TransHelp
- Children's Services

PLANNING
Nicholas Tunnacliffe
Commissioner

- Development Planning Services
- Transportation Planning
- Planning, Policy and Research

Chief Administrative Officer
ROGER MALONEY

PUBLIC WORKS
Mitch Zamojc
Commissioner

- Roads
- Waste Management
- Public Works Services
- Water
- Wastewater

FINANCE
Dan Labrecque
Treasurer and Commissioner

- Corporate Finance
- Financial Services
- Information Technology Services
- Internal Audit

HUMAN RESOURCES
Laura Nashman
Commissioner

CORPORATE SERVICES
R. Kent Gillespie
Commissioner and Regional Solicitor

- Ambulance and Emergency Programs
- Legal Services
- Communication Services
- Clerk's

Staffing Summary

Staffing Summary for Years 2001-2003

	2001	2002 Complement			2003 Complement	
	Approved Total	Approved Total	Changes (Net)	Revised Totals	Add/ (Delete)	Approved Complement
Roads	63.50	60.50	1.50	62.00	1.00	63.00
Waste Management	70.00	77.50	6.00	83.50	1.00	84.50
Regional Planning	33.60	40.60	1.40	42.00	0.00	42.00
TransHelp	47.50	54.50	0.00	54.50	0.50	55.00
Children's Services	172.50	172.50	0.00	172.50	0.00	172.50
Ontario Works	323.00	293.50	7.00	300.50	1.00	301.50
Long-Term Care	353.00	365.20	1.90	367.10	245.00	612.10
Public Health	404.50	437.10	(1.00)	436.10	35.50	471.60
Housing Policy and Program	28.00	41.00	6.00	47.00	1.00	48.00
Heritage	9.00	9.00	0.00	9.00	0.00	9.00
Ambulance/Emergency Progs.	7.00	7.50	0.00	7.50	0.50	8.00
Programs	1,511.60	1,558.90	22.80	1,581.70	285.50	1,867.20
Executive and Council	8.00	8.00	1.00	9.00	0.00	9.00
Human Resources	32.50	39.50	(3.50)	36.00	6.50	42.50
Corporate Services	62.50	72.50	2.00	74.50	2.00	76.50
Finance Services	262.65	266.80	11.50	278.30	1.00	279.30
Public Works Services	143.50	154.50	13.00	167.50	8.00	175.50
Property Services	53.00	48.00	(2.00)	46.00	5.00	51.00
Internal Support Services	562.15	589.30	22.00	611.30	22.50	633.80
Total Property Tax Supported	2,073.75	2,148.20	44.80	2,193.00	308.00	2,501.00
Water	107.50	108.00	(1.00)	107.00	1.50	108.50
Wastewater	70.00	73.00	(0.50)	72.50	3.00	75.50
Total Utility Rate Supported	177.50	181.00	(1.50)	179.50	4.50	184.00
Peel Regional Police	1,952.00	2,022.00	11.00	2,033.00	147.00	2,180.00
GRAND TOTAL	**4,203.25**	**4,351.20**	**54.30**	**4,405.50**	**459.50**	**4,865.00**

Staffing Changes

Staffing Changes 2002 vs. 2003

Complement numbers for 2002 have been restated to reflect program changes and budget redeployments.

Peel Region has experienced a healthy population growth rate over 2002, which affects Peel's essential programs. As a result, as approved by Council, staff increases will be funded by assessment growth in order to meet service level requirements. Year 2003 staffing numbers for the Region reflect an increase of 459.5 Full-time Equivalent (FTE) over the previous year.

The significant program changes are as follows:

Health:

Staff increases in Health account for 61% of the overall increase in 2003 due to:

Long-Term Care

In order to fulfill staffing requirements in the two new long-term care facilities scheduled to open this year, 245 new employees are required.

Public Health

In order to improve delivery of the current service levels to the residents of Peel as outlined in the Council-approved, three-year plan ***Well Beyond 2000 - Peel Health Service Strategy 2001-2003***, 35.5 new employees are required.

Peel Regional Police:

Staff increases in Peel Regional Police account for 32% of the overall increase in 2003.

In order to meet the increased service demands due to population growth and unmet needs, a total of 147 new employees are required. In accordance with the staffing formula this includes 30 front line officers plus 11 civilian support positions to serve the increased service demands within Peel's policing jurisdiction. An additional 96 officers and nine civilian positions are required for the unmet needs of the Emergency Response and Street Crime units, and one position for a new community station.



Peel Profile

Background

Peel is a dynamic region in the heart of Ontario with a strong economy, a diverse culture, vibrant urban centres and extensive rural areas. Peel Region is located on the north shore of Lake Ontario and covers approximately 1,225 square kilometres. It is one of the fastest growing areas in Canada, and a leader among Ontario municipalities in efficient, effective service delivery.

Peel has undergone a major transition during the past few decades. Rapid population growth and commercial development have transformed what was primarily a rural area of farms and villages into a dynamic blend of urban, industrial and residential areas.

In 1974, the 10 local municipalities of the former County of Peel were formed into three new area municipalities: the Cities of Mississauga and Brampton and the Town of Caledon. Geographically, the Region has roughly the same boundaries as the former county.

Today, approximately 1,027,800 people live in Peel, while over 553,600 people work here. The ***Regional Official Plan*** (ROP) projects that by 2021, approximately 1,360,000 people will live in Peel and 759,000 people will work here.

For those who live and work in Peel, the Region provides the following services and programs, funded through taxes and utility rates:

- 9-1-1, ambulance and emergency services
- Affordable rental housing
- Art Gallery of Peel, Region of Peel museum, Region of Peel Archives and the historic County Courthouse

- Growth management and Regional land use planning
- Long-Term Care facilities and programs for seniors
- Peel Regional Police and Ontario Provincial Police services including crime prevention and control
- Planning, design, construction and maintenance of Regional roads
- Public Health services to assist citizens and workers in preventing illness and improving the health of our communities
- Recycling, waste collection, disposal and diversion
- Shelters for the homeless
- Social assistance and employment programs through Ontario Works in Peel
- Social housing
- Subsidized child care in over 350 programs in collaboration with community partners throughout the Region
- TransHelp, for people physically unable to access regular transit
- Water and wastewater services.

The Region also funds and participates in various agencies, boards and commissions, including:

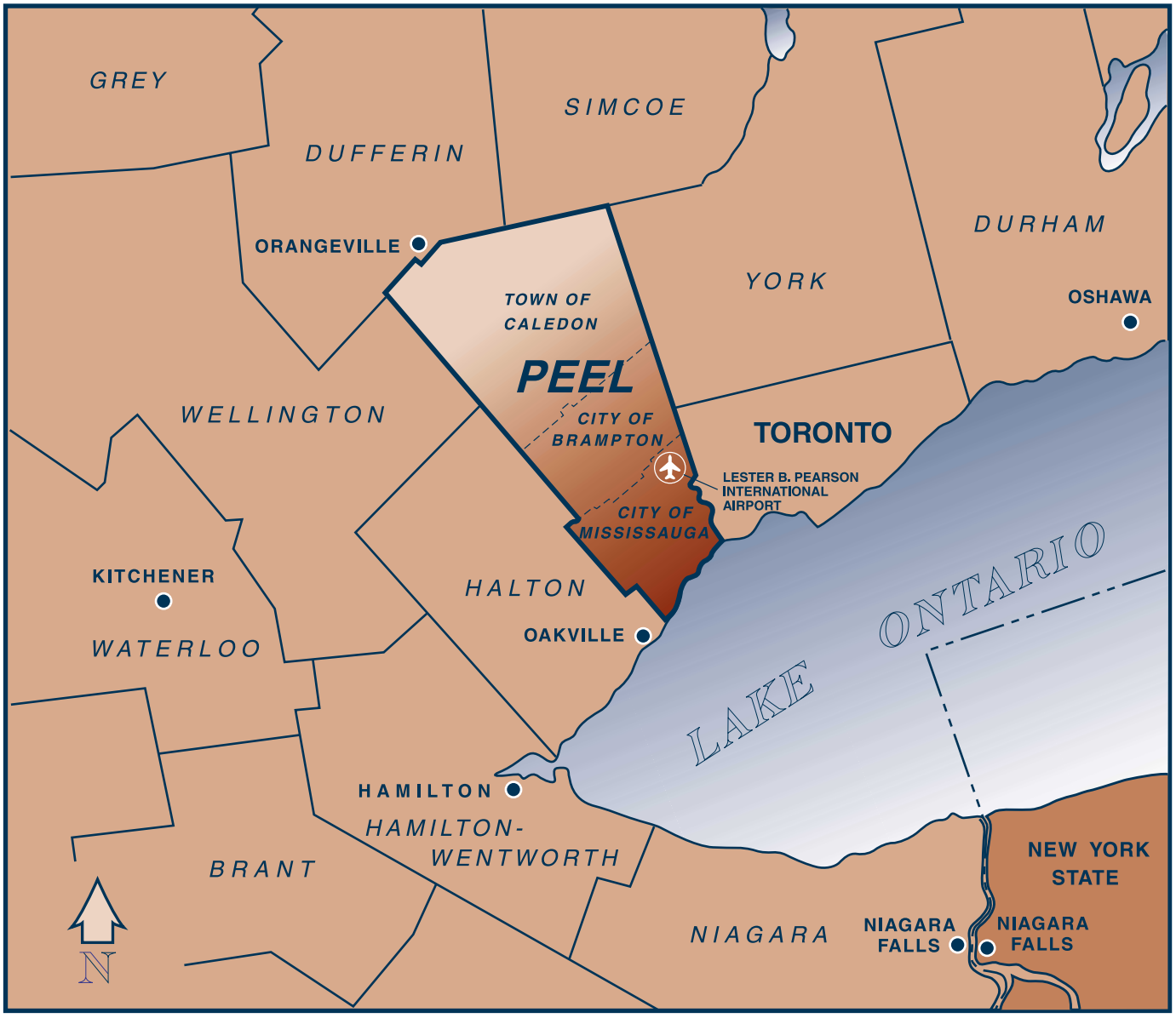
- Housing and Social Services in the City of Toronto and the Region of Durham (through the GTA Pooling Program)
- Three local area Conservation Authorities
- GO Transit
- Municipal Property Assessment Corporation (MPAC).

In addition to these directly funded services, some internal corporate departments provide their expertise to direct service departments, Regional Council, area municipalities, and other service providers.

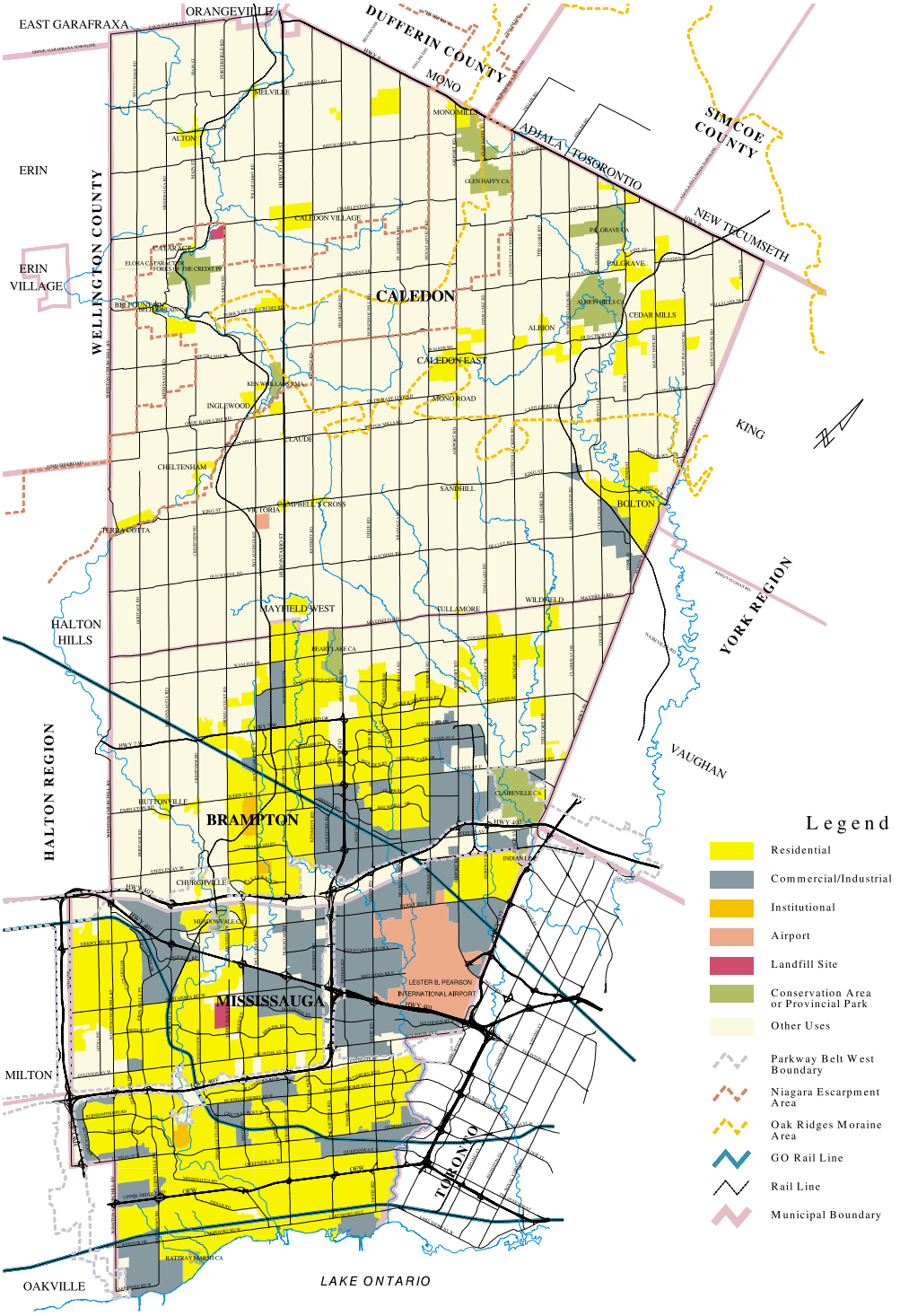
Eastern Canada and U.S.A



Greater Toronto Area (GTA)



Land Use in the Region of Peel



Community Profile

Date Incorporated	1974
Area	1,225 square kilometres
Location	Peel Region is located in southern Ontario within the Greater Toronto Area
Transportation Services	■ Pearson International Airport ■ Brampton Airport ■ Two national railways ■ Major network of highways
Population	1,027,800 (2003 estimate) 1,360,000 (2021 projection)
Work Force	553,600 (2003 estimate) 759,000 (2021 projection)
1996 Average Family Income (Gross)	$64,729
Population Growth	Increasing by almost 30,000 people per year
Form of Government	Regional government, including 21 elected Councillors and a Regional Chair, representing the citizens of three area municipalities: the City of Mississauga, the City of Brampton and the Town of Caledon
Administration	Eight Commissioners report to a Council-appointed Chief Administrative Officer
Annual Budget 2003	Total operating and capital budget of approximately $1.6 billion
Next Municipal Election	November 2003
Estimated Eligible Voters	707,400

Infrastructure and Resources (for 2003)

Waste Management

Active landfill site	1
Peel Composting Facility	1
Public Waste Drop-off Depots	2
Community Recycling Centres	2
Yard Waste Transfer Facility	1
Material Recovery Facility	1
Closed landfill sites	21

Wastewater

Kilometres of sanitary sewer	2,721
Wastewater treatment facilities	2
Sewage pumping stations	37

Water

Kilometres of water mains	3,415
Water treatment facilities	2
Water reservoirs/tanks/standpipes	22
Water wells	18
Water bills annually	1,016,000
Water booster stations	14

Roads

Lane kilometres of roads	1,497
Bridge structures	111
Signalized intersections	364
Flashing beacons	42
Storm water pumping stations	2

Human Services

Long-Term Care facilities	5
TransHelp vehicles	30
Child care centres	11
Health clinics	8
Health district offices	2
Homeless shelters	3
Ontario Works offices	3
Ambulance facilities	11

Peel Regional Police

Police divisional facilities	5
Police community stations	10

Heritage

Art galleries	2
Museum	1
Historical courthouse	1
Archives	1

Major Employers

(1,000+ employees)

Air Canada

AstraZeneca Canada Inc.

Atomic Energy of Canada Ltd

Bell Mobility

Canada Customs and Revenue Agency

Canada Post

CFM Vermont Castings Majestic Products

City of Mississauga

Credit Valley Hospital

DaimlerChrysler Canada Inc.

Dufferin-Peel Catholic District School Board

Federal Express Canada Ltd.

GlaxoSmithKline

Hewlett-Packard (Canada) Ltd.

Honeywell

Husky Injection Molding Systems Ltd.

Intria Items Inc.

Loblaw Companies East

Maple Lodge Farms

NexInnovations Inc.

Nortel Networks

PPG Canada Inc.

Peel District School Board

Peel Regional Police

Pratt & Whitney Canada Inc.

Region of Peel

RBC Insurance

TD Bank Financial Group

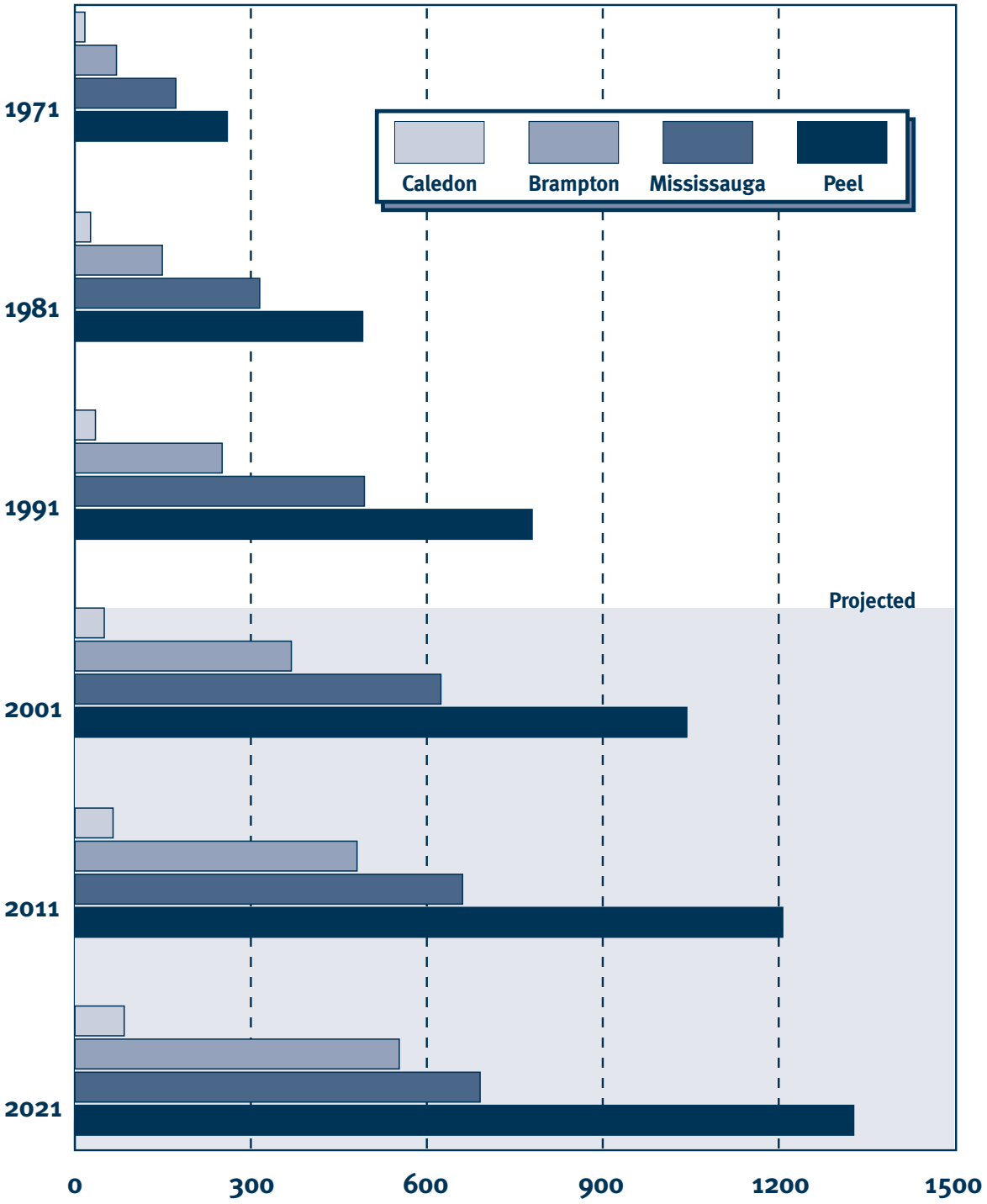
Trillium Health Centre

Wal-Mart Stores Ltd.





Population Growth



Services Provided to Residents

We provide essential Regional services that affect those living and working in Peel:

- Water and Wastewater
- Regional Roads
- Waste Management
- TransHelp
- Ontario Works
- Children's Services
- Long-Term Care
- Public Health
- Ambulance and Emergency Programs
- Housing Policy and Program
- Regional Planning
- Heritage

We also fund additional external services that are operated by others:

- Peel Regional Police
- Ontario Provincial Police (Caledon)
- Conservation Authorities
- Municipal Property Assessment Corporation
- GO Transit
- Greater Toronto Area Pooling

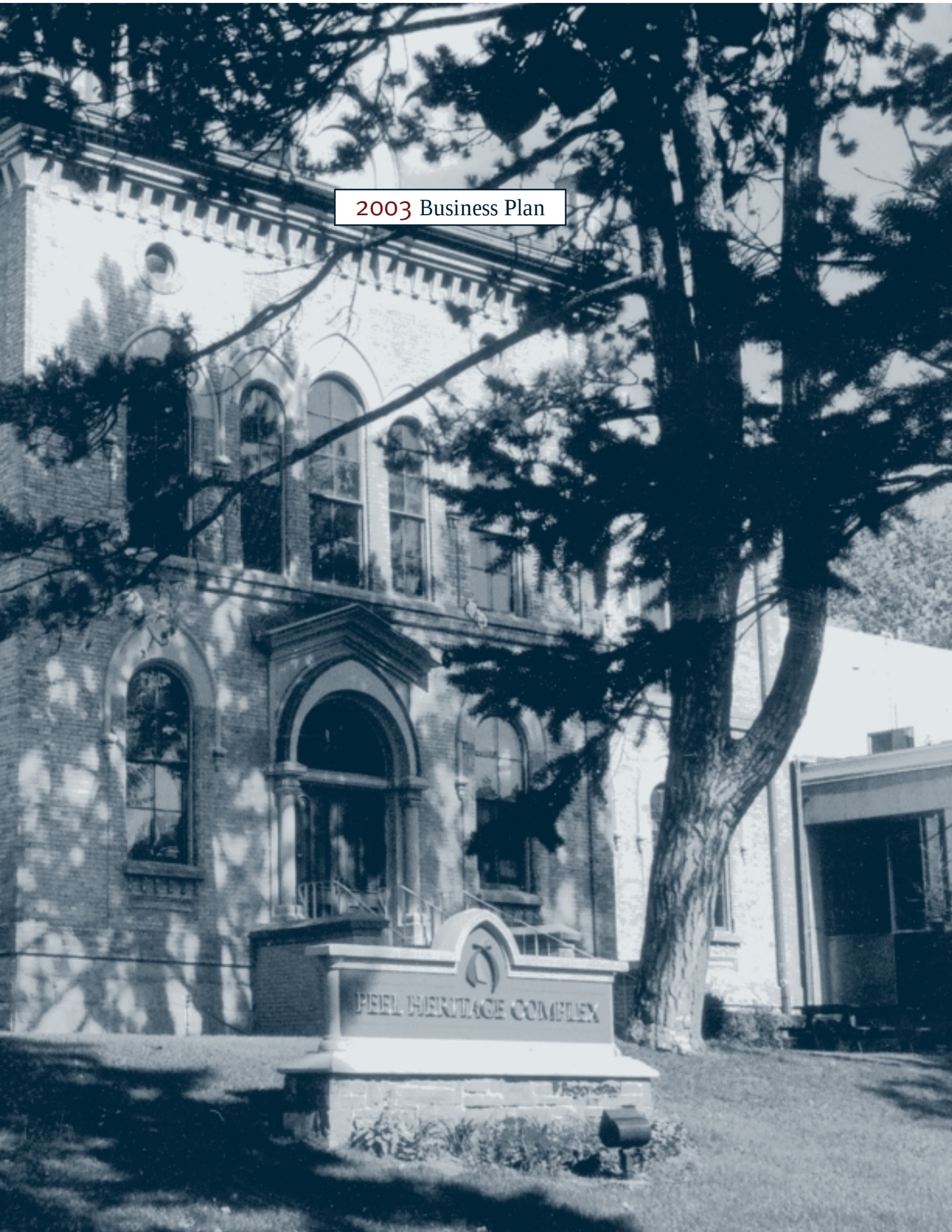
These external services receive some internal corporate support with functions such as finance, human resources, legal services, information technology, communications and legislative services.

The three area municipalities forming the Region of Peel; the Cities of Brampton and Mississauga and the Town of Caledon, supply area residents with key services including:

- Fire and Emergency Services
- Library Services
- Licensing
- Traffic Management
- Municipal Planning and Zoning
- Sewer, Bridge and Watercourse
- Parks and Recreation
- Animal Services
- Local Roads
- Streetlights
- By-law Enforcement
- Transit

Some of the Region of Peel's activities that directly impact Peel residents include:

- Operating three long-term care facilities, with two new facilities scheduled to open in August 2003
- Operating 11 child care centres
- Assisting more than 2,500 Ontario Works participants with placements in paid and unpaid work environments
- Operating three permanent shelters for the homeless
- Providing more than 238,000 TransHelp trips annually for the physically challenged
- Operating eight health clinics
- Conducting health inspections at approximately 5,000 food establishments
- Controlling infectious diseases, including rabies
- Educating the public about West Nile Virus, heart health, nutrition, tobacco use prevention and substance use prevention
- Monitoring water quality at public pools and beaches
- Interpreting private water system test results
- Supporting pre and post-natal programs for mothers and their babies
- Operating several waste management facilities
- Collecting waste and recyclables from approximately 323,200 households weekly
- Maintaining 1,497 lane kilometres of arterial roads
- Providing water and wastewater services to 984,000 Peel residents at one of the lowest rates in the Greater Toronto Area
- Visiting every industry in the Region for wastewater by-law inspections
- Managing responsible development through the ***Regional Official Plan***
- Managing more than 6,551 units in Peel Living buildings
- Administering 13,200 social housing units, and providing rent supplements for low income residents
- Providing public access to museum exhibits, works of art, and archive records
- Encouraging local artists through competitions held at the Art Gallery of Peel.



2003 Business Plan





Corporate Priorities

Vision and Mission Statements

Our Vision of Peel's Future

Peel will be a healthy, vibrant and safe community that values its diversity and quality of life.

Corporate Mission Statement

The Region of Peel will serve its growing community through commitment, partnership, innovation and excellence.





Regional Values

1. Supportive and Respectful Environment

We work in an environment that is positive, healthy, caring and free from discrimination. We respect diversity and treat one another in ways that are fair, courteous and compassionate, recognizing everyone's contributions.

2. Teamwork

We practise teamwork, cooperation and collaboration, and reinforce these with a strong vision and positive leadership.

3. Effective Communication

We practise open, two-way communication in a clear and honest manner.

4. Integrity

We are ethical, professional and trustworthy in our work.

5. Quality Service

We provide services that are accountable, accessible, responsive, efficient and effective. We seek new and innovative ideas for improvement in policies, practices and services.





Regional Official Plan

The Region of Peel continues to experience a high level of population and employment growth. This growth will continue to exert pressure on our ability to provide Regional services. It will also exert pressure on our ability to minimize further fragmentation and loss of the natural landscape and Peel's cultural heritage.

The ***Regional Official Plan*** (ROP) is a public document which provides Regional Council with a long-term policy framework for decision making. It sets the Regional context for more detailed planning by protecting the environment, managing resources and directing growth, and it sets the basis for providing Regional services in an efficient and effective manner.

The ROP outlines strategies to guide growth and development in Peel Region for the period 1996 to 2021.

In 2002 the Planning Department commenced a ***Regional Official Plan Strategic Update*** (ROPSU) that included a review of indicators and the need for a full review, which is traditionally carried out every five years. Based on a public meeting held on March 21, 2002, Council approved a scoped ROPSU. The focus on the update is on four areas: the environment, regional structure, transportation and human services. Workplans have been prepared and will be carried out in 2003/2004. As a result, a number of ROP amendments will be brought forward to Council.





Summary of the *Regional Official Plan* (ROP)

The following information is designed to provide a general overview of the different sections of the Plan.

Purpose

The purpose of the Plan is to establish a long-term Regional strategic policy framework for guiding growth and development while:

- Protecting the natural environment
- Managing resources
- Outlining a Regional structure
- Interpreting provincial policy within the Peel context
- Providing the basis for area municipal planning
- Recognizing the duality of urban and rural Peel
- Protecting and enhancing Peel's heritage
- Ensuring the health and safety of those living and working in Peel
- Maintaining fiscal sustainability.

Themes

The ROP follows three themes:

- Ecosystem approach
- Sustainable development
- Healthy communities.

General Goals of the Plan

The four primary goals are to:

- Create a healthy community
- Recognize the importance of the environment
- Recognize the importance of a vibrant economy
- Support balanced growth and development.

Strategic Plan

Directions for Success: Investing in Peel's Future

Strategic Plan for Peel's Future

Directions for Success: Investing in Peel's Future is an essential, coordinated high level plan that focuses on the future of Peel. Council and staff are guided by this plan in addressing the changing needs of the people who live and work in Peel. Regional program and service responsibilities continue to grow and this plan enables the Region to establish priorities to support a broad range of interests. It also establishes a framework for Peel's work with community partners.

The Region of Peel is a unique and diverse community that continues to grow at an exceptional pace. With this growth come many opportunities and challenges. ***Directions for Success: Investing in Peel's Future*** will ensure that we address issues related to our diverse population. The plan also pledges to address our mature communities, the environment, transportation, health, neighbourhood safety and social housing. It strengthens our existing programs and services, and identifies new priorities.

With each term of Council a new or revised strategic plan is developed. The existing plan will be in place through 2003.

Strategic Goals and Directions

1. Improve the community's health, social well-being and safety.

1.1 Assist residents in meeting their basic health and social needs

1.2 Develop strategies to create a range of affordable housing options

1.3 Promote and initiate actions to keep people and property safe

1.4 Advocate and plan Regional services to meet the growing needs in Peel

1.5 Invest in prevention strategies that address causal factors of health and social issues

1.6 Protect, preserve and promote Peel's heritage.

2. Assess and manage all aspects of growth that affect Peel.

- 2.1 Promote the efficient and sustainable use of land
- 2.2 Assess and manage the environmental, community, and financial impacts of new development as they relate to Regional services
- 2.3 Ensure that planned development and existing communities can be provided with Regional physical infrastructure where appropriate
- 2.4 Optimize the use of existing and planned Regional physical infrastructure
- 2.5 Develop an effective transportation system and support an integrated transit system
- 2.6 Define and maintain an urban rural balance
- 2.7 Balance growth with conservation of Peel's agricultural and natural resources.

3. Preserve, protect and enhance Peel's natural environment and resources.

- 3.1 Increase awareness of environmental issues and develop strategies to protect the environment
- 3.2 Promote responsible use of Peel's renewable and non-renewable resources
- 3.3 Develop and support strategies to improve air quality
- 3.4 Identify and protect important natural features and environmentally sensitive areas
- 3.5 Improve the quality of ground and surface water
- 3.6 Optimize management of all waste.

4. Contribute to a vibrant and diverse regional economy.

- 4.1 Maintain a sustainable long-term financial plan for the Region of Peel
- 4.2 Ensure competitive Regional tax and water rates
- 4.3 Secure the financial commitment of all governments and the private sector in the funding of Region of Peel programs, services and initiatives
- 4.4 Develop fair and equitable property tax assessment policies
- 4.5 Advocate and lobby for the removal of the funding of social assistance and social housing programs from the property tax base
- 4.6 Support local economic development initiatives in Peel.

5. Be a leader in the provision and coordination of Regional services.

- 5.1 Invest in a healthy workforce and recognize the value of Region of Peel employees
- 5.2 Improve access to Region of Peel programs and services
- 5.3 Involve citizens and volunteers as valued partners
- 5.4 Partner with area municipalities, public, private and not-for-profit organizations
- 5.5 Increase awareness of Region of Peel programs and services
- 5.6 Ensure that the interests of the Region of Peel are effectively represented
- 5.7 Measure the Region of Peel's performance.





Financial Management

The provisions of provincial statutes such as the *Municipal Act*, the *Municipal Affairs Act* and related legislation guide the Region's operations.

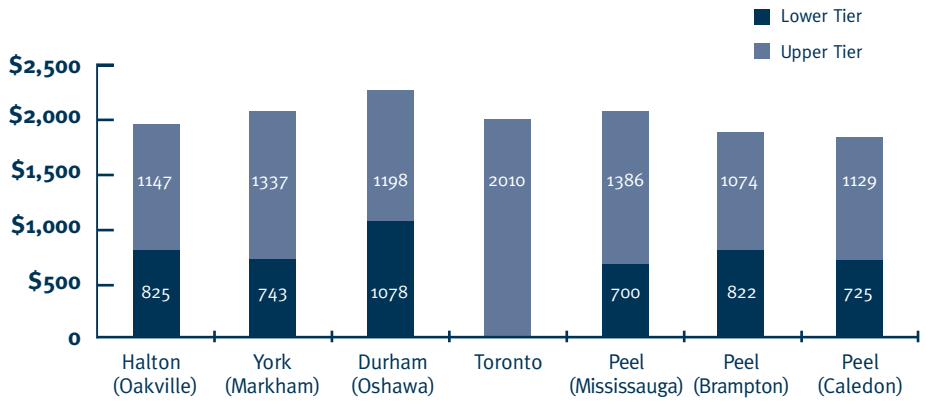
The Region sets a standard for its financial management through its Strategic Plan - ***Directions for Success: Investing in Peel's Future*** in conjunction with the provincial statutes and the Region's *Financial Control By-law* (By-law number 49-96). The 2003 Business Plan supports the achievement of Peel's strategic directions embodied in all of the Strategic Plan's five major goal areas and specifically meets Council's strategic directions of maintaining a sustainable long-term financial plan and ensuring competitive tax and utility rates for Peel residents. The principles identified in the *Financial Control By-law* guide management and staff in the execution of their financial management responsibilities. The complete listing of the Strategic Plan's goals and related strategic directions are presented in the Strategic Plan section of this document. Discussions of those goals and strategic directions that specifically pertain to financial management as well as the established financial controls are included at the end of this section. Certain discussion material included in other sections of this document is intentionally duplicated in this financial management discussion.

The 2003 Business Plan represents the third plan that Regional Council has approved during its three-year term. The approved Property Tax Supported Current Budget has resulted in a 2.6 per cent property tax increase. The 2003 Current Budget related to Police Services has resulted in a 2.6 per cent increase to support increased policing costs required as a result of continued significant growth in Peel communities. The 2003 Current Budget related to Regional programs excluding Police Services was established with a nil property tax impact notwithstanding growth pressures as well as necessary increases to service levels and the Region's practice of allowing assessment/tax growth to offset resulting program growth. This increase translates into a $33 annual property tax increase to $1,318 for an average single-family home assessed at $259,000.

Table 1 provides comparative residential tax data with other regions based on a standard two-storey home with Peel's three municipalities presented individually. This indicates for 2002, that Peel residents enjoyed rates that were competitive with other municipalities within the GTA.

Table 1

2002 Municipal Residential Taxes per Standard Two-storey Home

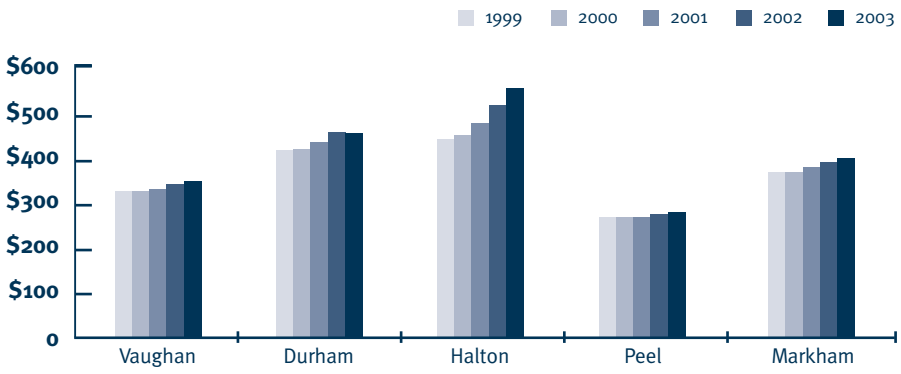


The approved 2003 Utility Rate Supported Current Budget includes a 3 per cent increase in the water and wastewater rates, effective on all water bills rendered on or after April 1, 2003. The increase translates into a $6 increase in 2003, for a total average household cost of $285.

Peel residents pay significantly less for water and wastewater services combined than for any other utility. The Region continues to maintain the lowest combined water and wastewater rates in the GTA. Operations continue to be debt-free; therefore the rates do not include any debt interest component. Table 2 presents a five-year view of comparative residential homeowner combined rates.

Table 2

Residential Homeowner Combined Water and Wastewater Utility Rate Bill



The Region will finance the $2.3 billion 10-year capital plan from a combination of development charges and reserves dedicated to capital projects while endorsing Peel's tradition of sustainable infrastructure financing that positions the Region for continued economic growth.

Economic Environment in Peel

Introduction

The primary focus in framing the 2003 Business Plan for the Region of Peel was the need to manage and support sustained growth over the medium to long run. The Region has experienced strong economic growth over the past decade and is now one of the fastest growing municipalities in Canada. Growth in the Region has occurred despite the sharp cutbacks in the high tech sector and a slow down in manufacturing in 2001.

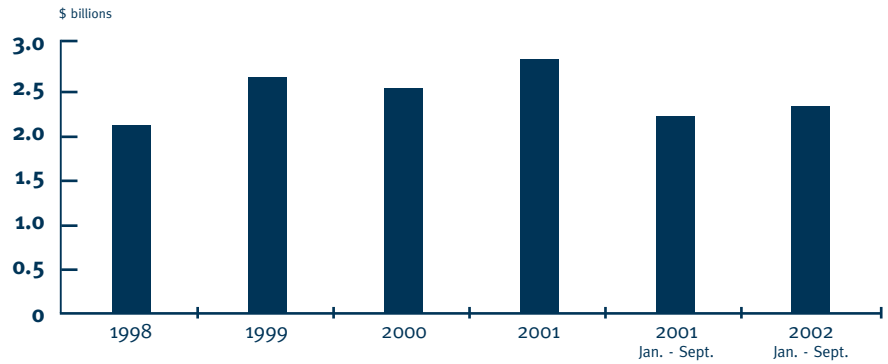
In spite of the challenges of 2001, growth continued to characterize the Region's performance during 2002. This was facilitated by the timely lowering of interest rates (in response to economic challenges of the time) which provided the economic stimulus to support growth. In addition, the economic base of the Region of Peel has become increasingly diversified, particularly in its large service sector. This, complimented by the availability of a young and highly skilled population, has made the local economy more resilient to economic shocks and hence has created a more dynamic economic environment.

Current developments

The lowering of interest rates during 2001 and the first half of 2002 resulted in increased consumer borrowing, which in turn has increased demand for housing as well as automobiles. In Peel, this fuelled more growth in an already booming residential sector supporting strong growth in the construction sector. Changes in all major construction indicators for the first nine months of 2002, were positive. As shown in Table 3, the total value of building permits in Peel increased by 5.3 per cent relative to that issued during the similar period of 2001. This was influenced significantly by an 18.3 per cent increase in the value of residential permits.

Table 3

Total Value of Building Permits



Housing starts in Peel during the first nine months increased by 31.6 per cent over the same period in 2001; outpacing the 10.3 per cent growth registered in the GTA. Housing starts by location and type for January-September 2001 and 2002 are as follows:

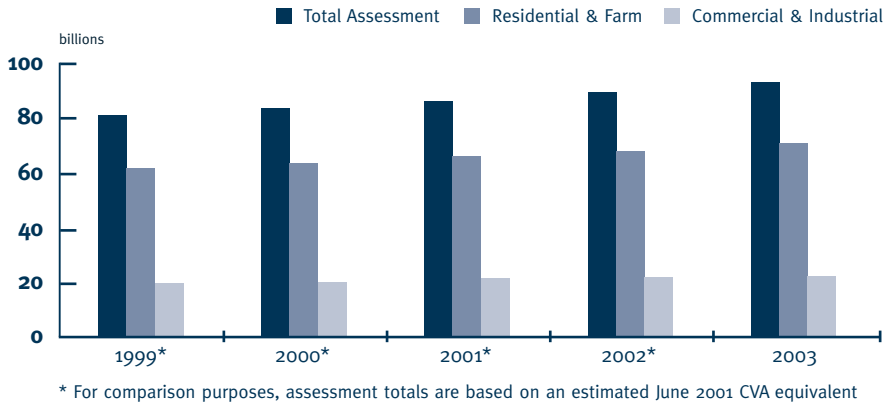
Resident Housing Starts January-September 2001-2002

Location/Type	2001	2002	Per cent change
GTA	32,637	35,997	10.3%
Singles	13,311	18,693	40.4%
Multiples	19,326	17,304	(10.5)%
Region of Peel	7,495	9,865	31.6%
Brampton	3,406	4,585	34.6%
Singles	2,103	3,624	72.3%
Multiples	1,303	961	(26.2)%
Caledon	478	398	(16.7)%
Singles	386	368	(4.7)%
Multiples	92	30	(67.4)%
Mississauga	3,611	4,882	35.2%
Singles	1,457	1,984	36.2%
Multiples	2,154	2,898	34.5%

The total taxable assessment increased by approximately 4 per cent. Residential assessment provided the main impetus to growth, moving up by 4.3 per cent. 2003 is a reassessment year with Current Value Assessment (CVA) set as of June 30, 2001. 1999-2002 taxable assessment values shown in Table 4 have been restated to an estimated June 30, 2001 CVA equivalent for comparison purposes.

Table 4

Total Taxable Assessment



* For comparison purposes, assessment totals are based on an estimated June 2001 CVA equivalent

Occurring alongside the residential expansion in Peel, the population increased to 988,945 in 2001, and is estimated to have reached the one million mark in mid 2002. The demographic shift towards an aging population continued, as the 65 and over age group registered the highest growth of 69 per cent, between 1996 and 2001. This continued shift has implications for the kinds of programs that the Region provides. Growth concentrated mostly in the 45 and older age group, resulting in an increase in the median age in the Region. Notwithstanding this demographic trend, Peel's median age was 34.4 in 2001, well below the national average of 37.6.

Peel's business sector also continued to experience growth in 2002. As of June 2002, the number of business establishments in the Region of Peel was 64,606. This represented a net increase of 379 businesses since December 2001. The business sector is comprised of 80 per cent services sectors and 20 per cent goods producing sectors. The Peel business sector is fairly diversified within these two major categories.

Further indication of positive changes in the business sector in Peel was evident in the decline in bankruptcies in the Region. The number of business bankruptcies for the first nine months of 2002 fell by 17 per cent suggesting a more stable business environment during the period.

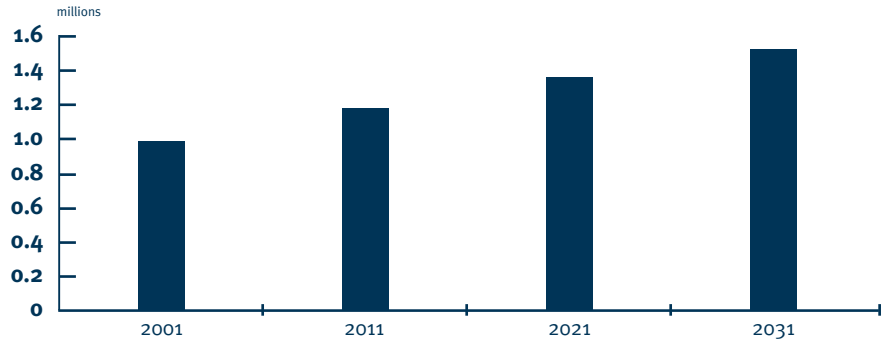
Projected outlook

The medium to long-term outlook for the Region is for continued growth. Table 5 shows the population is expected to increase by 536,000 or 54 per cent between 2001 and 2031 to reach 1.53 million. The number of households is also expected to increase. For the period 1999-2008, Peel is expected to register the second fastest rate of household growth in the GTA.

Table 5

Peel Population Forecast

(Regional Official Plan)

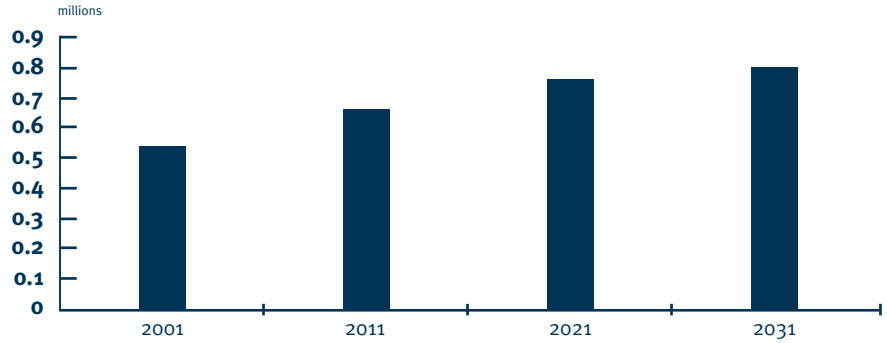


The business sector is expected to continue to expand to meet the needs of the growing population. In this regard, commercial and industrial growth projections for the GTA suggests that Peel will register the highest non-residential growth during the 1999-2008 period. In addition, employment generated in the Region is forecast to increase with growth in the business sector, to reach approximately 823,000 in the next 30 years, an increase of 56 per cent (see Table 6).

Table 6

Peel Employment Forecast

(Regional Official Plan)



Peel is well positioned to continue to support growth with strong and effective fiscal management to ensure that economic fundamentals remain positive. As the Region grows, it will continue to deliver quality service while meeting the changing needs of a growing community. At the same time, the Region will ensure that tax and utility rates remains competitive. Full control over fiscal issues is therefore critical if the Region is to achieve these objectives while being in a position to accommodate any necessary program adjustments.

The pooling of social assistance and social housing in the GTA affords the Region little control over this fiscal issue. The GTA Pooling arrangements also present a number of other challenges to the Region of Peel, the most critical being the limitation that it places on the Region's financial flexibility to deal with its own expenditure pressures. Council is also engaging the provincial government to limit, if not eliminate, the fiscal impact of these income redistribution programs on the property tax base.

Strategic Directions, Controls, Guidelines and Principles

While providing service at levels that support our residents and ratepayers is essential, it is important that the service delivery be achieved in a fiscally responsible manner.

The Region's *Financial Control By-law* established financial controls related to Peel's current and capital budgets and reserve management based on the solid foundation of the Region's budget principles. The principles that guide management and staff throughout the budget process and throughout the year in the execution of their financial management responsibilities are:

Sustainability - Budget decisions made today should be affordable today and tomorrow.

Interdependency - Capital and current budgets are interdependent. Capital decisions will invariably have tax rate implications for the upcoming budget year.

Pay as You Go - Peel's future will not be mortgaged by debt. Asset replacement will be well planned and annual investments will be made to maintain our quality infrastructure.

Fee for Service - Peel will ensure that user fees will be utilized to cover costs for appropriate services.

Management Excellence - Peel will maximize program efficiencies while maintaining program effectiveness.

These principles, in conjunction with our Strategic Plan - ***Directions for Success: Investing in Peel's Future,*** have guided Peel during the 2003 budget process. The specific Strategic Plan goals that focus on the financial management are:

Goal 2: "Assess and manage all aspects of growth that affect Peel"

Goal 4: "Contribute to a vibrant and diverse regional economy"

Goal 5: "Be a leader in the provision and coordination of Regional services".

These goals are broken down further into strategic directions, and those directions that relate specifically to financial management are as follows:

2-2 Assess and manage the environmental, community, and financial impacts of new development as they relate to Regional services

4-1 Maintain a sustainable long-term financial plan for the Region of Peel

4-2 Ensure competitive Regional tax and water rates

4-3 Secure the financial commitment of all governments and the private sector in the funding of Region of Peel programs, services and initiatives

4-4 Develop fair and equitable property tax assessment policies

4-5 Advocate and lobby for the removal of the funding of social assistance and social housing programs from the property tax base

4-6 Support local economic development initiatives in Peel

5-7 Measure the Region of Peel's performance.

In addition to establishing financial principles, the *Financial Control By-law* provides direction as to how those principles shall be implemented including specification of accountability (approval authority, roles and responsibilities). An example of one of the key directions is as follows:

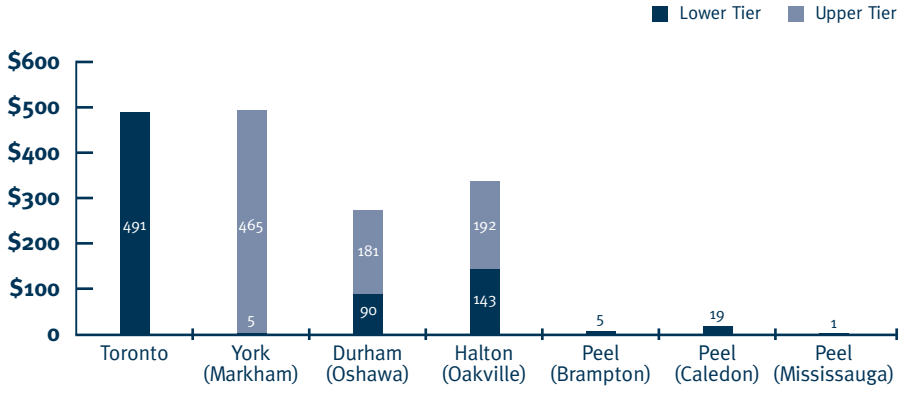
"Council shall be informed on a timely basis of any material variance between planned current and capital budgets and actual expenditures, actual revenues, or actual service level quality/quantity performance deliveries. Council shall receive written status reports on the current budget and on capital works in progress including a summary of major activity and all pre-approved unallocated project activity, on a triannual basis as at April 30, August 31 and December 31 of each year."

The *Financial Control By-law* also outlines the Region's reserve policies. Reserves and reserve funds are financial management tools used to maintain the financial position of the Region and meet long-term objectives. Peel's evolvement to a fully funded annual capital budget from current reserve strategy is a major tool in delivering efficient and effective programs while remaining debt-free. Table 7 provides a comparison to other GTA municipalities of the lower-tier municipality debt and reflects Peel's favourable position.

Table 7

Long-Term Debt per Capita

December 31, 2001

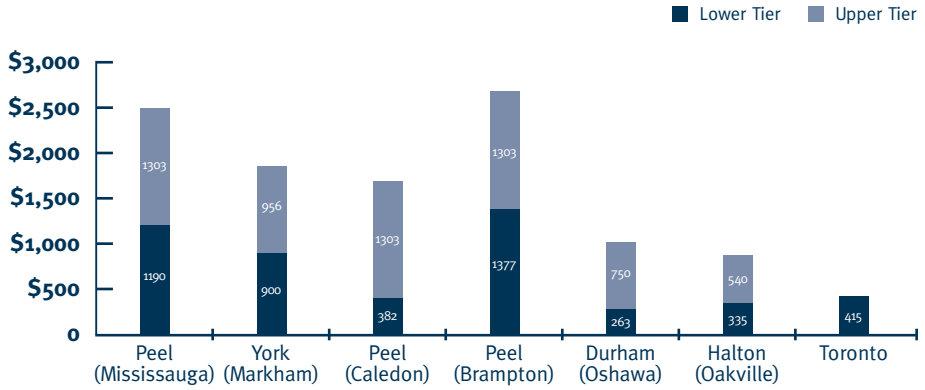


Peel has the highest level of reserves and reserve funds for upper-tier municipalities per capita in the GTA, as outlined in Table 8.

Table 8

Reserves and Reserve Funds per Capita

December 31, 2001



The Region continues to be debt-free in all of its operations. Peel, together with its area municipalities, has the strongest municipal credit in Canada as evidenced by the Triple-A rating awarded by the Dominion Bond Rating Service (DBRS) (see Table 9). This reflects Peel's record of strong financial management, low and stable taxes and positive economic fundamentals and outlook.

Table 9

Canadian Municipal Governments DBRS Rating Review

	Long-Term Debt Rating	Direct Tax Supported Debt per Capita	Debt Per Capita	Core Surplus (Deficit) Per Capita	Capital Financing Pressures	Economy and Taxable Assessment	Tax and User Fee Burden	Accumulated Fund Balances	Risk Profile and Responsibility
Ontario									
Peel	AAA								
Halton	AAA								
City of Toronto	AA (high)								
City of Ottawa	AA (high)								
City of Hamilton	AA (high)								
Western Canada									
Winnipeg	AA (low)								
Calgary	AA								
Edmonton	AA (high)								
Vancouver	AAA								

Relative Risk: High Moderate Low

Peel's positive position, which provides stronger program funding as opposed to debt charge funding, poises the Region to accommodate future growth and maintain low tax rates.

The Region of Peel's reserves are segregated into two categories, reserves and reserve funds. Within each category reserves are broken down by program and type. Both categories earn investment income on their fund balances.

A reserve, which is unrestricted, is an appropriation from net revenue at the discretion of Council, after the provision for all known expenditures. It has no reference to specific assets and does not require the physical segregation of money or assets, as is the case with reserve funds. The primary source of revenue for reserves is transfers from current operations. Reserves are generally used to either mitigate the impact of operating cost and revenue fluctuations or to accumulate funds for future or contingent liabilities. Major expenditures are for transfers to both current and capital operations.

Reserve funds differ from reserves in that reserve fund assets are segregated and restricted to meet the purpose of the reserve fund as defined in the *Municipal Act*. Peel's reserve funds are limited to those designated in financing growth-related capital projects as governed by the *Development Charges By-law* which is in accordance with the *Development Charges Act* (1997). The intent of this by-law is to ensure developers within the Region of Peel finance growth-related capital costs. The Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants (CICA) requires that development charges, previously reported on the Region's statutory financial statements as "Reserves and Reserve Funds," be reported as "Deferred Revenue – Development Charges" however, operationally, they are treated as reserve funds.

The Region's surplus management strategy permits year end transfers to and from reserves to manage the level of surplus carried forward into the next fiscal year. Such transfers are made to ensure that future commitments of the Region can be met without incurring debt and are based on management's planning for an analysis of infrastructure replacement, property tax rate and user rate stabilization, potential exposure to program funding shortfalls and contingent liabilities. The allocation of these transfers and their purpose is disclosed annually to Council following completion of the year end audit.

A disciplined approach to "Pay as You Go" capital budgeting principles enables the Region to finance capital plans via its growth and non-growth reserves, delivering efficient and effective programs while maintaining a no debt position. All capital projects are approved by Council and financed on a "just-in-time" basis, which allocates funds from reserves and reserve funds to the capital projects as expenditures are incurred. This financing method yields higher annual investment income in the reserves and reserve funds.

One of the ways in which the Region ensures that the "Fee for Service" principle is maintained via the directives of the Region's *Fees By-law* (By-law number 43-2002) which was established in accordance with the *Municipal Act*. The by-law stipulates "that the respective business units annually review the costs involved in providing services, and make recommendations for changes to the *Fees By-law* when necessary." The review ensures that the Region identifies the costs related to the services provided and recovers sufficient revenue to offset the costs associated with service delivery. Approximately 250 separate fees are included in the Schedule of Fees.

Investment Policy

Basic Objectives

The Region of Peel invests funds in accordance with its Investment Policy. The overall objective of the Investment Policy is to ensure that surplus funds are invested, in accordance with the existing legislation, in such a way as to maximize returns while minimizing risk.

The four basic objectives of the policy are:

- Conform to Legislative Constraints

Staff must operate within the boundaries of the applicable legislation. The *Municipal Act* is the guiding legislation for investment of municipal funds. Ontario Regulation 438/97 together with Bill 86 outlines the criteria for acceptable investments.

- Ensure Safety of Principal

Ensuring the safety of principal is of paramount importance for the Region of Peel. The loss of monies resulting from the default of an issuer on principal or interest payments may be minimized through the establishment of limitations relating to credit rating, sector exposure and term structure. The purpose of establishing such limits is

to ensure that the investment portfolio is diversified. Diversification will ensure safety of principal through limiting the exposure to any one issuer, sector or term.

The limitations are clearly stated in the policy and reflect the requirement of the current legislation and the Region's own judgment on prudent investment standards. All eligible investments must adhere to these limits.

- Maintain Adequate Liquidity

Maintaining adequate liquidity helps to ensure that surplus funds are invested until they are needed and temporary borrowing requirements are limited. There is a trade-off between liquidity and return: the higher the liquidity, the lower the return. For example, the most liquid investments are Government of Canada treasury bills; they are also the lowest yielding investments.

- Maximize Rate of Return while Conforming to Other Objectives

The objectives of safety of principal and maintenance of liquidity must not be compromised in order to maximize returns. Once the essential parameters governed by the first three objectives have been addressed, the Treasury Department then manages the portfolio in such a way as to maximize the longer-term income flow of the portfolio.

Investment Strategy

The Region of Peel's investment strategy is one of "Matching." This strategy ensures that the term structure of the assets (investments) equals the term structure of the liabilities (expected ultimate use of the cash). A neutral weighting would infer that the overall cash flow will net out without having to be exposed to potential loss of purchasing power caused by re-investing excess funds at lower rates or selling longer-term investments during a period of rising interest rates.

The interest rate exposure will vary depending on the average term of the portfolio. The average term is set by the Treasury Manager and reflects the manager's interest rate outlook and the current liability structure.

Corporate Performance Measurement and Benchmarking

Peel continues its strong commitment to continuous improvement and benchmarking initiatives, monitoring and measuring its performance both internally against past performance, and externally against peer performance.

The Region's programs have developed and continue to refine their own performance indicators. The three types of performance criteria that are fundamental to program service strategy/business plan development are as follows:

- Program Efficiency - Indicators measure cost per unit of service
- Customer Service Quality - Indicators measure effectiveness – the extent to which program plans are being achieved and the extent of customer satisfaction
- Community Impact - Indicators measure the extent to which the broad community is impacted.

The service strategy/business plan details for each program include a section on corporate performance measurement and benchmarking where the programs have presented relevant historical and forecasted data.

Province-wide Initiatives

Benchmarking is fast becoming standard municipal practice, and in order to ensure comparability amongst municipalities, the two province-wide efforts outlined below have been initiated.

Municipal Performance Measurement Program (MPMP)

The Municipal Performance Measurement Program (MPMP) is an initiative introduced by the Ontario Government to provide taxpayers with useful information on service delivery and to give municipalities a tool to improve those services over time. The program has completed its second year of data gathering in nine core municipal service areas (water and wastewater, solid waste management, land-use planning, local government administration, roads, transit, fire and police). The objectives of the program are as follows:

- To provide a tool to assess how well municipal services are delivered
- To improve performance by measuring the efficiency (cost) and effectiveness (quality) of local services
- To strengthen local accountability to taxpayers and promote greater understanding of municipal responsibilities by the taxpayer
- To provide a systematic resource that allows municipalities to share information on performance and learn better or new practices from each other

For the 2001 reporting year, municipalities provided information and reported on 25 different measures compared to 16 measures for the year 2000.

The nine core areas of reporting remained the same as the previous year; additional measures were included in some areas. Many of the measures were modified and adjusted significantly enough to prevent easy comparison between the two years.

The Ministry of Municipal Affairs and Housing and an advisory committee of Ontario municipalities collaborated extensively to discuss and develop performance measures, ensuring that they are meaningful and relevant. MPMP is a work in progress and as is typical of performance measurement and continuous improvement, measures are always being fine-tuned and improved.

Ontario Municipal CAO's Benchmarking Initiative (OMBI)

The Region of Peel has a high commitment to benchmarking and is strongly involved as a key member of the Ontario Municipal CAO's Benchmarking Initiative (OMBI). OMBI is a partnership project that promotes service excellence in municipal government by acting as a catalyst for the sharing of performance statistics and adoption of better operational practices. Membership currently stands at 16 municipalities.

The organization is comprised of expert panels in the following areas of expertise: roads, water and wastewater, solid waste, ambulance, long-term care and municipal finance (treasurer's group). OMBI is poised for expansion in a number of new service areas.

Accomplishments to date include:

- The province has adopted OMBI's method of Indirect Cost Allocation and has mandated its use in reporting of MPMP data, starting with 2002 results
- The launch of Data Warehouse Pilots in the areas of roads, solid waste and finance, with a long-term view of developing a comprehensive data warehouse containing, among other things, all MPMP-related municipal services
- A working model for the infrastructure asset evaluation of water services has been adopted and is being expanded to encompass other municipal infrastructure assets such as roads and solid waste
- A comprehensive training program consisting of benchmarking basics and more sophisticated and complex benchmarking tools was designed and delivered to OMBI members
- Expert panels gathered an additional year's worth of comparative data, thus building upon the amount of performance information available
- An expanded and more critical role is being developed for Municipal Champions, who are the key representatives from each member municipality.

As well, OMBI will be a major contributor to the performance data analysis capabilities of the newly created Ontario Centre for Municipal Best Practices (OCMBP). The OCMBP Performance Measurement was originally proposed by the Association of Municipalities of Ontario (AMO) and is a partnership between the Ministry of Municipal Affairs, AMO and several municipal associations.

Using the results of MPMP as well as other sources, the Centre will seek out and showcase municipal best practices in service delivery, then actively encourage the use of these practices in municipal operations throughout Ontario.

The National Quality Institute - Quality and Excellence in Peel

The National Quality Institute (NQI) is a not-for-profit organization with a vision of "Inspiring Excellence in Canada" and a mission "to assist Canadian organizations improve performance." NQI provides strategic focus and direction for Canadian organizations to achieve excellence, enabling Canada to set the standard for quality

and healthy workplace practices throughout the world. They do this by supplying an excellence framework built on nine quality principles.

Although the Region of Peel has been aware of the NQI for some time, Peel only became a member in late 1999. The nine principles that form the foundation of the Framework for Excellence, the Canadian Quality Criteria for Public Sector Excellence, so closely mirror the values of the Region of Peel, that the fit with NQI seemed natural. These principles also support Goal 5 of the Region's current Strategic Plan: "Be a leader in the provision and coordination of Regional services."

By using the NQI Framework for Excellence, the Region of Peel will achieve this goal, and will progress towards the Canada Award for Excellence. Achieving this award will be verification that the Region of Peel demonstrates outstanding continuous achievement in seven key areas: Leadership, Planning, Customer Focus, Employee Focus, Process Optimization, Supplier Focus and Organizational Performance.

Service Strategy/Business Plan Process

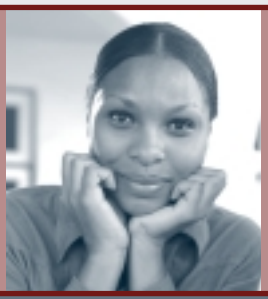
72 Service Strategy/Business Plan Process
74 Service Strategy/Business Plan Cycle
75 Service Strategy/Business Plan Timetable
76 2003 Budget Guidelines
77 2003 Budget Assumptions
78 Budget Philosophy
79 Service Strategy/Business Plan Format
84 Budget Amendments
85 Basis of Accounting and Budgeting





2003 Business Plan







Service Strategy/Business Plan Process

The foundation for the development of the Region of Peel's Business Plan is the Strategic Plan - *Directions for Success: Investing in Peel's Future* (refer to page 50-52 for details). The Strategic Plan guides Council and staff in addressing the changing needs of the people who live and work in Peel. It also establishes a framework for Peel's work with community partners.

Commencing with the 2003 business plan cycle, the Region has progressed to a new process known as the Service Strategy/Business Plan, a link between the Region's Strategic Plan and the day-to-day work of the departments, divisions and programs. It has become the primary corporate planning tool for all departments.

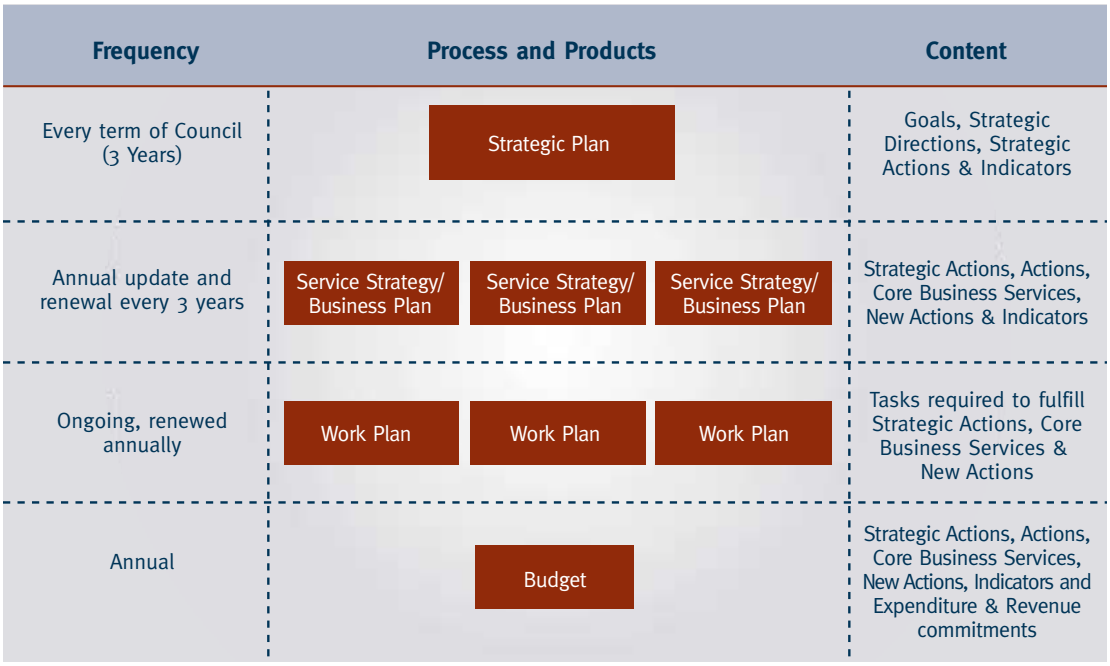
The detailed Service Strategy/Business Plans provide Council with strategic workplans which are required to realize the achievement of the strategic goals. These strategic workplans form an integral part of the organization's performance measurement and review process.

With every new term of Council (three years) a new strategic plan for the Region is developed. At the time a new strategic plan is developed, the departments, divisions and programs undertake a renewal of their service strategy/business plans. On an annual basis, current and capital budgets are prepared for each program and for the years when the service strategy/business plans are not renewed, they are reviewed and updated.

The corporate planning process involving the Strategic Plan, Service Strategy/Business Plan and Budget is described in the following flowchart.

The Region's service strategy/business plan process also includes the preparation of an annual current and capital budget with a further nine-year capital forecast.

Corporate Planning Process



The current budget includes the expenditures and revenues approved by Regional Council each calendar year. A two-year operating forecast is also included in this plan.

The capital budget includes the expenditures and financing sources approved for capital spending to acquire, construct and maintain Regional assets. The capital forecast provides the long-term view of Regional infrastructure and non-growth related asset acquisition or construction requirements, as well as the related financing sources.

Service Strategy/Business Plan Cycle

Commencing with the 2003 business plan cycle, the Region has moved to the service strategy/business plan process. This is the primary planning tool for the Region and the link between the Strategic Plan and the day-to-day work of the departments, divisions and programs. It should reflect the current environment and future trends and will be reviewed and renewed annually.

In the spring of each year, the Chief Administrative Officer (CAO) and the Executive Management Team (EMT) meet to establish objectives for the upcoming budget year. During the months that follow, the program service strategy/business plans are developed, taking into account Regional strategic directions and specific objectives determined each year by the CAO. These CAO Guidelines are an integral part of the Current and Capital Budget Instruction Guide utilized by all business program staff. The guidelines include factors such as growth assumptions, legislated changes, funding availability, cost pressures and service level assumptions.

Salary and wage projections are finalized and internal charges are established based upon service level agreements between Regional internal support service providers and their clients. The Finance business planning team analyzes and consolidates the program business plans and provides updates to management throughout the process.

The service strategy/business plans are refined in preparation for the detailed CAO/Treasurer reviews. The CAO and Treasurer meet with senior management and staff from every program to prioritize unmet needs and establish their budget recommendations to Council. Following the CAO/Treasurer reviews, the service strategy/business plans are finalized and distributed to Councillors for their review. A block of special Council meetings is set to afford program management the opportunity to present the details of their budget for deliberation and approval. The proposed service levels of the draft business plans' financial impacts are discussed at this annual review. Among other things, the discussions revolve around existing service levels, unmet needs, capital forecasts and reserve adequacy in concert with the strategic directions, all of which have been built into the draft service strategy/business plans. The culmination of this process is a budget that meets Council's strategic direction of maintaining competitive tax and utility rates for the residents of Peel.

Service Strategy/Business Plan Timetable

Budget timetable finalized and published	April 1
Service strategy/business plan format published	April 15
CAO and Senior Management establish budget objectives	April 22
Programs develop service strategy/business plans	Spring/Summer
Service Level Agreements are finalized	July 30
Salary and wage projections are finalized	August 2
Internal Charges/Recoveries are finalized	August 2
Capital Budget input complete	August 28
Service strategy/business plans finalized	August 31
Draft budget document submitted to Finance and CAO	September 6
CAO and Treasurer reviews with programs commence	September 10
CAO & Treasurer recommendations incorporated into budget	September 27
Draft current and capital budget to Council	November 7
Council commences budget review	November 14
Budget approval by Council	November 21
Final legislative approval	May 29

2003 Budget Guidelines

All programs were directed to prepare their budgets in accordance with the budget objectives established by the CAO and senior management in May 2002. Further, a preliminary net expenditure target for each Region Directly Controlled Program was established and communicated by the CAO.

As part of their budget submission, program managers were instructed to provide the CAO and Treasurer with a business analysis for new operating initiatives and/or new capital projects. All costs and revenues generated both internally and externally were incorporated into the budget for all new initiatives.

2003 Budget Assumptions

- Assessment growth will be available to finance service enhancements dictated by Council

- The Corporation's overall continuous improvement initiative is expected to offset the impact of inflation for Region Directly Controlled Programs.

Budget Philosophy

On June 13th, 1996 Council adopted the Financial *Control By-law* (By-law 49-96), establishing financial controls related to the Region's current and capital budgets and reserve management based on the solid foundation of Peel's budget principles. These principles, in conjunction with the Strategic Plan - ***Directions for Success: Investing in Peel's Future,*** have guided the Region during the 2003 budget process. A complete discussion of the Region's financial management principles, controls, guidelines and directions is included in the Financial Management section on pages 53-65.

The departments indicated on the Corporate Organization Chart on page 30 are presented by commissioner reporting structure. Each department may encompass one or more programs as noted on page 31. The service strategies/business plans are presented by program.

The Region uses the Corporate Performance Measurement (CPM) tool to manage the efficiency, effectiveness and community impact of its service delivery. By using performance measurement indicators, services can be measured against the estimated needs. A complete discussion of CPM and Benchmarking initiatives is included in the section by that name on pages 66-69.

CPM data is included in each program's service strategy/business plan for a seven-year period – three years of actual results, two budget years and two forecast years.

Service Strategy/Business Plan Format

Detailed service strategies/business plans for each program are included in this document. In order to maintain consistency between programs, the document format was established in the initial stages of the service strategy/business plan cycle. All internal programs and services have followed the format detailed below. The external organizations, however, were given the option and have chosen to follow the format as detailed in the section Region Financed External Organizations – Business Plan Format.

Region Controlled Programs and Internal Support Services – Service Strategy/Business Plan Format

A. Background

A.1 Preparing the Service Strategy/Business Plan: The roles and responsibilities of those involved; the timeframe for completion and the process used to develop the plan

A.2 Key Contacts: Contact information for the key people who can explain the plan, how it was developed and its contents

A.3 Additional Information: Other points of interest concerning the development of the service strategy/business plan

B. Description of Current Services

B.1 Program Location Map: A geographical map identifying specific locations of services, structures or facilities related to the program

B.2 Profile of Current Services: A description of the key work activities undertaken by the program

B.3 Description of Clients/Customers: A description of the clients and customers associated with each main service area of the program

B.4 Overall Organization Structure: An organization chart showing Council approved full-time equivalent (FTE) positions

B.5 Significant Recent Activities/Initiatives: Information on unique or special activities completed in the past year

C. Trends and Issues

C.1 Emerging Trends: Information on trends that could have an impact on the services of the program

C.2 Key Strategic Issues: Information on high level issues and unmet needs

D. Mandate, Objectives and Actions

D.1 Mandate and Objectives: The program's vision/contribution towards achieving the Region's Mission and Vision and the outcomes the program intends to achieve

D.2 Objectives and Actions: A list of broad actions supporting each objective

D.3 Service Principles: Further defining the Regional Values as they relate directly to the work of the program

D.4 Strategic Plan Connection: A chart outlining the connection between the program's objectives and actions and the Region's Strategic Plan

E. Monitoring and Measuring the Service Strategy/Business Plan

E.1 Measurement of Objectives/Actions: Measurements identified for each objective/action

E.2 Performance Targets: Details of 2002 targets and information of current progress and details of 2003 targets and plan for implementation

E.3 Corporate Performance Measurement and Benchmarking: Information on performance related to program efficiency, community impact, customer service and external benchmarking

F. 2003 Financial Requirements Presentation

F.1 Current Budget Introductory Comments/Analysis: Highlights of the key issues impacting the budget, shifting priorities, and comments on the estimated impact of the capital budget and forecast on the current budget

F.2 Financial Structure Chart – Current Budget: A chart presenting the financial reporting structure of the program

F.3 **2003 Current Budget:** The 2003 budget information including account and activity analysis and variance explanations for the program

F.4 **Capital Budget and Capital Forecast Introductory Comments/Analysis:** High level overview of the 2003 Capital Budget including a discussion of the highlights, comments on key drivers resulting in changes to the overall plans from the 2002 Capital Budget and comments on the estimated impact of the capital budget on reserves for 2003

F.5 **2003 Capital Budget and 2004 – 2012 Capital Forecast:** The 2003 budget reports including 10-year summary and detailed reports and a 2003 finance report

Region Financed External Organizations – Business Plan Format

The Region Financed External Organizations are independent of the Region of Peel in their operations and, as a result, the individual documents may differ slightly from the specific format outlined below.

A. Business Plan

1. **Mission/Vision Statement:** The Organization's objectives, goals and commitments for service delivery
2. **Program Location Map:** A geographical map identifying specific locations of services, structures or facilities related to the organization
3. a) **Program Resources:** A description of activities, staffing, services provided and facilities maintained by the organization

   b) **Organization Business Map:** An organization chart presented in the Corporate Performance Measurement format (i.e. by business unit)
4. **Business Plan Highlights:**

   a) 2003

   i) Existing Service Level Base: A discussion of service levels currently being provided

   ii) Unmet Needs/Issues/Priorities: A discussion of the program's unmet needs and issues as well as significant changes in priorities from the previous year with an explanation of factors that led to those changes

   iii) Strategic Directives: A cross-reference describing how the business plan relates to the Region's Strategic Plan

   iv) Capital/Reserves: A discussion of capital expenditure impacts on existing reserves

b) 2004 - 2005

i) Existing Service Level Base: A discussion of future service level plans and expectations

ii) Unmet Needs/Issues/Priorities: A discussion of anticipated future unmet needs, issues and priorities with a strategy for addressing these factors and a plan for implementing solutions

iii) Strategic Directives: A cross-reference describing how the continuing business plan will relate to the Region's Strategic Plan in the future

iv) Capital/Reserves: A discussion of capital expenditure impacts on forecasted reserves

c) 2006 - 2012

i) Issues/Priorities: A discussion of anticipated future unmet needs, issues and priorities with a strategy for addressing these factors and a plan for implementing solutions

ii) Strategic Directives: A cross-reference describing how the continuing business plan will relate to the Region's Strategic Plan in the future

iii) Capital/Reserves: A discussion of capital expenditure impacts on forecasted reserves

5. Performance Targets:

a) 2002: Details of 2002 targets and discussion of current progress

b) 2003: Details of 2003 targets and plan for implementation

B. Corporate Performance Measurement

1. **Program Efficiency:** A discussion of current performance efficiencies and expectations for maintaining and improving them
2. **Community Impact:** Measured community impact in delivering the organization's services
3. **Data:** A comparative chart which shows previous year's actual results, current budget and targeted forecasts for the organization
4. **Customer Service:** Comments on the quality of program service provided to Peel's customers
5. **External Benchmarking:** Comparison of Peel's program delivery against similar programs within the private and public sector, where available

C. Current Budget

1. **Activity Analysis:** Financial breakdown of the cost of services provided
2. **Account Analysis:** Financial breakdown by expenditure and revenue categories
3. **Budgeted Cost Per Unit/Units of Service:** Cost per unit of service delivered by the organization
4. **Budget Variance Explanation:** Explanation of budget variances from the previous year

D. 2003 Capital Budget and 2004 – 2012 Capital Forecast

1. **Ten Year Capital Program Summary – Expenditure and Financing by Year:** Program summary of total expenditures and financing sources by sub-program and year, for the 10-year capital plan
2. **Ten Year Combined Capital Program:** Detailed listing of the program's projects by sub-program, for the 10-year capital plan, including a description of each project
3. **2003 Financing Sources and Funding Status:** Project listing of total expenditures and financing sources for 2003 by sub-program, including funding status for each project, indentified as "A" for approved or "P" for pending

Budget Amendments

Redeployments of current and capital budgets are considered and processed throughout the year. Only redeployments that, in the opinion of the Treasurer, are significant and material shall be processed. The level of approval required (Council, the Chief Administrative Officer, Commissioner or Director) is dependent upon the materiality of the proposed change(s) on budgeted objectives or service levels. These protocols are incorporated within the Region of Peel's *Financial Control By-law*.

Basis of Accounting and Budgeting

The Regional Municipality of Peel prepares financial information in accordance with generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants (CICA).

Basis of Accounting and Current Budgeting

The Region follows the accrual basis for accounting and current budgeting which recognizes revenues as they become available and measurable; expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay. The Current Budget includes annual expenditures for goods and services, salaries and wages, and contributions to reserves, as well as revenues from subsidies, grants, fees and other charges. The budget is approved each year by Regional Council for the period January 1 to December 31.

Basis of Capital Budgeting

The Capital Budget includes expenditures and financing sources to acquire, construct and maintain Regional assets. The term of the majority of these projects extends beyond one year.

The Consolidated Schedules of Current Fund Operations, Capital Fund Operations and Reserve Operations are reported separately in the Region's statutory financial statements. Details of Peel's reserve and reserve fund policies and related discussion of its surplus management strategy, "Pay as You Go" capital budgeting principles and "just-in-time" financing practices are included in the Financial Management section on pages 53-65.

Basis of Financial Operations

The Region's financial operations are structured with a "business" focus as opposed to a "public sector" focus. Accordingly, the Region does not follow typical public sector "fund" accounting practices (e.g. the Region is one of the few municipalities in Canada to operate under the commercial PeopleSoft license).

Other Funds

In addition to the funds established for the restricted reserves discussed in the Financial Management section, Peel maintains a sinking fund as a separate fund for the purpose of providing periodic repayment of all debt to be retired by means of sinking funds. The financial activity and position of this fund are disclosed separately in the Sinking Fund financial statements. The financial activity and position of the funds held in trust by the Region for residents of its three long-term care facilities are also reported separately in the Trust Funds financial statements.

For further information, the Region of Peel's ***Financial Annual Report*** is available on the Web site at www.region.peel.on.ca.

2003 Business Plan



Highlights





90 Introduction
92 2003 Current Budget Highlights
93 Property Tax Supported Budget
95 - 2003 Property Tax Supported Budget Pressures/Issues
101 Utility Rate Supported Budget
103 - 2003 Utility Rate Supported Budget Pressures/Issues
105 Distribution of Total Program Expenditures
106 Revenue Trends
110 Tax Levy Apportionment
112 2003 Property Tax Apportionment Calculations
113 Current Value Assessment
114 Current Value Assessment/Weighted Assessment For 2003 Taxation
115 Current Summary Schedules
115 - Descriptions of Revenue Classifications
116 - Descriptions of Expenditure Classifications
118 - 2003 Budget Summary by Program
119 - Total Program Expenditure and Revenue Summary
120 - Revenue and Expenditure Summary by Account
122 2003 Capital Budget and 2004 – 2012 Capital Forecast
125 Ten Year Capital Plan Highlights 2003-2012
127 Impact of the 2003 Capital Budget on the Current Budget
129 2003 Sources of Financing by Program
130 2003-2012 Sources of Financing by Program
132 Reserves and Reserve Funds
134 Description of Major Types of Reserves and Reserve Funds
136 Continuity Schedule of Reserves and Reserve Funds
137 Reserve and Reserve Fund Balances by Program
138 Long-Term Debt

2003 Business Plan







Introduction

On November 21, 2002, Regional Council approved the 2003 Business Plan. This plan represents the third plan that Regional Council has approved during its three-year term. Final legislative approval was passed on May 29, 2003.

The approved 2003 Property Tax Supported Current Budget has resulted in a 2.6 per cent property tax increase to support increased Police Services costs required as a result of continued significant growth in Peel and to augment existing street crime initiatives and improve response times. The Current Budget related to Regional Programs excluding Police Services was established with no property tax impact notwithstanding growth pressures, necessary increases to service levels and the Region's practice of allowing assessment/tax growth to offset resulting program growth.

The approved 2003 Utility Rate Supported Current Budget has resulted in an average residential and commercial utility rate increase of 2.2 per cent to support the tremendous growth in Peel and the increased service requirements.

The Region will finance the $2.3 billion 10-Year Capital Plan from a combination of development charges, reserves and external sources dedicated to capital projects while still maintaining its debt-free status, endorsing Peel's tradition of sustainable infrastructure financing that positions the Region for continued economic growth. This strong sense of financial responsibility has been instrumental in the maintenance of the Triple-A credit rating for Peel, together with its area municipalities, from the Canadian rating agency, the Dominion Bond Rating Service (DBRS), as well as American agencies including Standard & Poors and Moody's Investors Service.

The Region sets a standard for its financial management through its Strategic Plan - ***Directions for Success: Investing in Peel's Future***. The 2003 Business Plan supports

the achievement of Peel's strategic directions embodied in all five major goal areas and specifically meets Council's strategic directions of maintaining a sustainable long-term financial plan and ensuring competitive tax and utility rates for Peel residents. While providing service at levels that support our residents and ratepayers is essential, it is important that the service delivery be achieved in a fiscally responsible manner. The Service Strategy/Business Plan Process section of this document outlines the principles, guidelines and procedures that the Region follows in the development of its plan.

As discussed in more detail in the Financial Management section, Peel's residential, industrial and commercial population components are expected to continue to grow at a rapid pace. Furthermore, the residential demographics are shifting towards an increasingly aging population, which will require increased resources for relevant programs. The 2002 assessment growth of approximately 3.7 per cent has been applied to offset 2003 program growth. Prior to taking into account the economic slowdown, assessment growth was not expected to be sustainable at levels over 3 per cent. The lag effect of the slowdown on assessment growth may result in yet even lower levels for the 2004 Business Plan period, presenting a challenge for the Region's future plans. Notwithstanding these factors, residential, industrial and commercial growth is forecasted to continue in the foreseeable future.

Highlights of the Region's 2003 Current Budget on the following pages include reviews of the Current Budget, both for Property Tax Supported Programs and Utility Rate Supported Programs, Revenue Trends, Tax Levy Apportionment, Current Value Assessment (CVA) and Current Budget Summary Schedules. The reader will find that the classification description and summary schedules included in the Current Budget Summary Schedule section provide data for the Region as a whole.

Following the 2003 Current Budget Highlights are highlights of the Region's 2003 Capital Budget and 2004–2012 Capital Forecast including a review of the 10-Year Capital Plan, both for Property Tax Supported Programs and Utility Rate Supported Programs, the Reserves and Reserve Funds and Long-term Debt.

The Service Strategy/Business Plan details and Current Budget details for each program are included in the ***2003 Current Budget*** document following the Highlights section of that document. The Capital Plan details for each program are included in the ***2003 Capital Budget and 2004 – 2012 Capital Forecast*** document following the Highlights section of that document.



2003 Current Budget Highlights

Table 1 introduces the Current Budget Highlights discussion by presenting the impact of the 2003 Property Tax Supported Current Budget and the 2003 Utility Rate Supported Current Budget on the Region's taxpayers and ratepayers respectively.

Table 1

Impact of a 2.6% Tax Rate and 2.2% Utility Rate Increase

	Average Industrial	Average Commercial	Average Small Business	Average Household
CVA Value (note 1)	$1.7 million	$1.6 million	$342,000	$259,000
2003 Regional Levy Impact	$332	$270	$58	$33
2003 Utility Bill Impact	$48	$64	$16	$6

Note 1: Current Value Assessment (CVA)

Property Tax Supported Budget

Table 2 indicates the grouping by category of all tax supported programs funded by the Region:

Table 2

Peel Tax Supported Programs

Region Controlled

- Roads
- Waste Management
- Regional Planning
- Ontario Works
- TransHelp
- Children's Services
- Public Health
- Long-Term Care
- Housing Policy and Program
- Heritage
- Ambulance and Emergency Programs
- Non Program/Internal Support

Region Financed External Organizations

- Peel Regional Police
- Ontario Provincial Police
- Conservation Authorities
- Assessment Services
- GO Transit

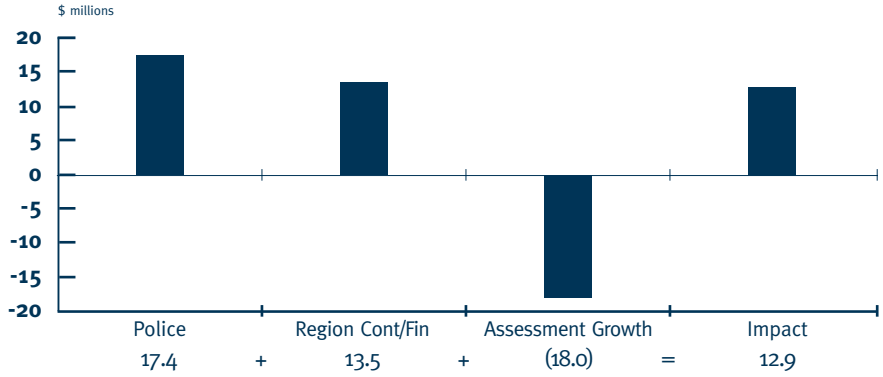
Greater Toronto Area Pooling

The 2003 Net Property Tax Supported Budget totals $518.0 million. For comparison purposes, this represents a $30.9 million increase over the adjusted 2002 net levy of $487.1 million, which has been reduced from $503.6 million in order to reflect the Region's transfer of its annual $16.5 million contribution for GO Transit to the area municipalities. Fifty-eight per cent of the increase is funded by growth in the property assessment base of 3.7 per cent ($18.0 million). The remaining 42 per cent ($12.9 million) is funded by a 2.6 per cent property tax increase. This increase, as outlined in Table 3, translates into a $33 annual property tax increase to $1,318 for an average single-family home assessed at $259,000.

Table 3

2003 Net Property Tax Impact

$12.9 million (2.6%)



Note: Region Cont/Fin Includes Region Controlled Programs and Region Financed External Organizations excluding Police.

Table 4 outlines the allocation of the property assessment base increase ($18.0 million) to Police Programs and to Region Controlled Programs and Region Financed External Organizations (excluding Police). The allocation is based on a pro-rata share of the 2002 net tax levy for the preliminary assessment data. Once the Police Programs' share of assessment growth of $4.5 million is applied to the Police net expenditure increase over 2002 of $17.4 million, the resulting net property tax impact is $12.9 million (2.6 per cent increase). The assessment share of $13.5 million for the balance of the programs offsets the increase in net expenditures over 2002 of $13.5 million, resulting in a nil property tax impact.

Table 4

2003 Net Property Tax Budget

	2002 Net Levy		2003 Net Levy	Net Levy Increase Over 2002	Assessment Share (Note 1)	Net Impact
	$M	%	$M	$M	$M	$M
Region Cont/Fin (Note 2)	324.7	66.7	338.2	13.5	13.5	0.0
Police	162.4	33.3	179.8	17.4	4.5	12.9
Total	487.1	100.0	518.0	30.9	18.0	12.9

Note 1: Pro-rata share of 2002 Net Levy based on preliminary assessment data

Note 2: Region Cont/Fin includes Region Controlled Programs and Financed External Organizations excluding Police.

Table 5 provides a breakdown of all Property Tax Supported Programs in terms of their respective share of the 2003 average residential tax of $1,318, again, based on an average single-family home assessed at $259,000.

Table 5

Property Tax Supported Programs

2003 Average Residential Tax Bill = $1,318

Program	Tax Bill Share $	Tax Bill Share %	Program	Tax Bill Share $	Tax Bill Share %
Police	457.56	34.7	Long-Term Care	32.93	2.5
GTA Pooling	168.02	12.7	Assessment Services	28.53	2.2
Housing Policy & Program	165.95	12.6	Children's Services	22.59	1.7
Ontario Works	139.49	10.6	TransHelp	13.54	1.0
Waste Management	123.13	9.4	Regional Planning	7.92	0.6
Roads	68.89	5.2	Conservation Authorities	7.12	0.5
Ambulance and Emergency Programs	40.43	3.1	GO Transit	5.09	0.2
Public Health	36.51	2.8	Heritage	2.59	0.2
			Non Program/Internal Support	(2.29)	(0.2)

Based on an average single family home assessed at $259,000

2003 Property Tax Supported Budget Pressures/Issues

The following section provides additional details related to 2003 Property Tax Supported Current Budget pressures/issues. The discussions address 2003 program net expenditure increases over the 2002 budget net expenditure base, prior to the allocation of assessment growth.

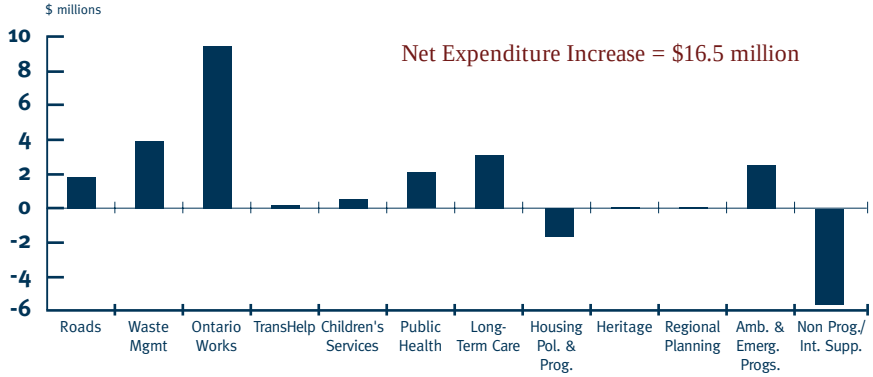
Region Controlled Programs - $16.5 million net expenditure increase

The ***2003 Current Budget*** for the Region Controlled Programs reflects service level increases resulting mainly from the Region's tremendous population growth and demographic changes to an increasingly aging population. Furthermore, increases in expenditures reflect the increased needs of the clients of Ontario Works, increased service levels mandated by the province (e.g. Ambulance and Emergency Programs) and an enhanced waste diversion program. Table 6 presents an overview of the net expenditure changes in Region Controlled Programs over the 2002 budget net expenditures.

Table 6

Region Controlled Programs Overview

Net Expenditure Variance 2003 vs 2002



The major pressures/issues related to the Region Controlled Programs are summarized as follows:

- **Roads: + $1.8** million due mainly to an increase in capital financing to ensure that the level of funding is sufficient to cover capital needs in 2003 and beyond and the addition of 39 lane kilometres to the Regional road network.

- **Waste Management: + $3.9** million due primarily to the costs related to the annualization of the transfer, haulage and disposal of waste to Michigan, as well as costs related to the enhanced waste diversion program. These increases are offset, to a large extent, by a significant contribution from the Waste Management Stabilization Reserve.

- **Ontario Works: + $9.4** million due mainly to an increased caseload, higher salary costs and an increase in the province's Ontario Disability Support Program (ODSP).

- **TransHelp: + $0.2** million due mainly to increases in salary and facility costs.

- **Children's Services: + $0.6** million due mainly to salary increases, facility costs, program quality enhancements and increased contributions to the capital reserve.

- **Public Health: + $2.1** million due mainly to year two costs of a three-year program to improve public health services and annualization of year one service level

improvements. This increase is partially offset by increases in grants and subsidies from the province.

- **Long-Term Care: + $3.1** million due mainly to costs associated with the addition of two new long-term care facilities scheduled for an August 2003 completion and increases in salary and wage costs, partially offset by increased resident fees, grants and subsidies.

- **Housing Policy and Program: - $1.6** million mainly due to savings from decreased mortgage renewal rates and a decrease in the number of rent supplement units from 2002.

- **Heritage:** - The 2003 Heritage budget has a **nil impact** on the Regional taxpayer. Increases due to higher salary and fringe benefit costs have been offset by increased rental recoveries from office space expansion.

- **Regional Planning:** - The 2003 Regional Planning budget has a **nil impact** on the Regional taxpayer. Higher salary costs are offset by recoveries from the Water and Wastewater programs.

- **Ambulance and Emergency Programs: + $2.6** million due mainly to increases in service hours to meet legally mandated response times, salary costs due to 2003 wage settlements and the addition of new paramedics. These increases are significantly offset by increases in subsidies from the Ministry of Health.

- **Non Program/Internal Support: - $5.6** million due to a number of factors. A $2.0 million reduction in reserve contributions to facilitate the phase-in of Ontario Municipal Employees Retirement System (OMERS) contributions in the program budgets. Increases in payments in lieu of taxes of $2.0 million and $2.4 million in increased net supplementary taxes as a result of revenue estimates developed in collaboration with the area municipal finance staff.

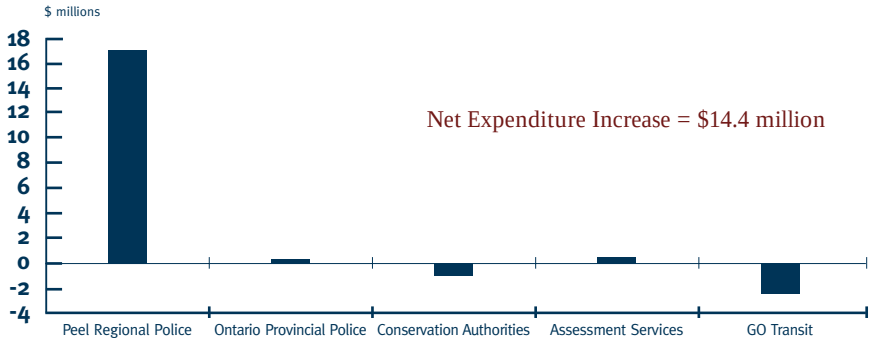
Region Financed External Organizations - $14.4 million net expenditure increase

The ***2003 Current Budget*** for the Region Financed External Organizations reflects a $14.4 million increase in net expenditures over 2002. As indicated in Table 7, the major portion of the variance is due to the Peel Regional Police Program.

Table 7

Region Financed External Organizations

Net Expenditure Variance 2003 vs 2002



The most significant pressures/issues related to the Region Financed External Organizations are summarized as follows:

- **Peel Regional Police: + $17.1** million due to an increase in salary costs and the addition of new officers.

- **Ontario Provincial Police (O.P.P.): + $0.3** million due to salary adjustments for existing officers moving through the ranks and an increase in support staff.

- **Conservation Authorities: - $1.0** million due to a recovery from the utility rate supported programs.

- **Assessment Services: + $0.4** million due to the impact of the Region's growth, which is greater than the provincial average, on the allocation formula used to distribute Municipal Property Assessment Corporation (MPAC) costs across all Ontario municipalities.

- **GO Transit: - $2.4** million (after the $16.5 million reduction of the 2002 net expenditure to reflect the Region's transfer of its annual contribution for GO Transit to the area municipalities) due to the impact of the province taking back responsibility for GO Transit. In the past the GTA municipalities and the City of Hamilton funded 100 per cent of the GO Transit costs. Now, municipalities in total will fund $300 million annually over 10 years.

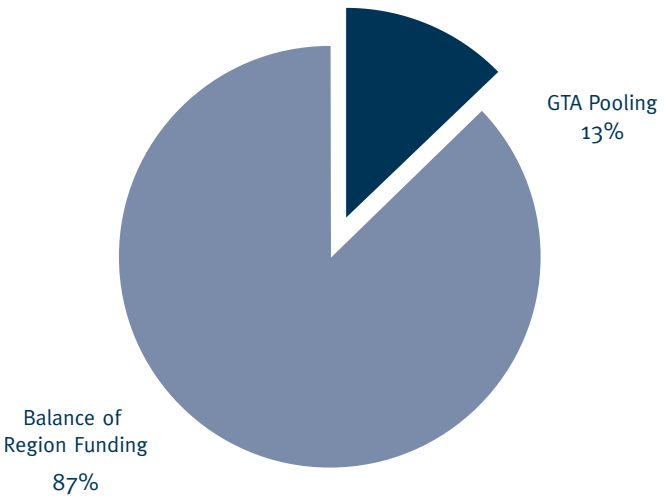
Greater Toronto Area Pooling - No additional impact over 2002 on the 2003 Property Tax Supported Budget

The Greater Toronto Area (GTA) equalization formula is established to recognize the social and economic interdependence within the GTA and to assist in stabilizing the financial costs that the City of Toronto faces from being at the core of a single catchment for social services. It is very likely that the Region's GTA assessment share will increase in 2003. Given the anticipated increase, in addition to the complexity and volatility of the various components of the "pooled costs," the 2003 budget estimate will remain unchanged from 2002. The Region of Peel opposes any form of GTA equalization/pooling of services since the continued funding of GTA pooling has resulted in not satisfying its unmet needs given Peel's considerable growth. Table 8 indicates GTA Pooling's share of the total Region net expenditure for all Property Tax Supported Programs.

Table 8

Greater Toronto Area Pooling
Property Tax Impact

Share of Total Region Net Expenditure = $66 million (13%)



There is a significant risk that Peel may not be able to meet its strategic plan direction of financial sustainability for Regional services due to the mandatory requirement to fund GTA pooling costs.

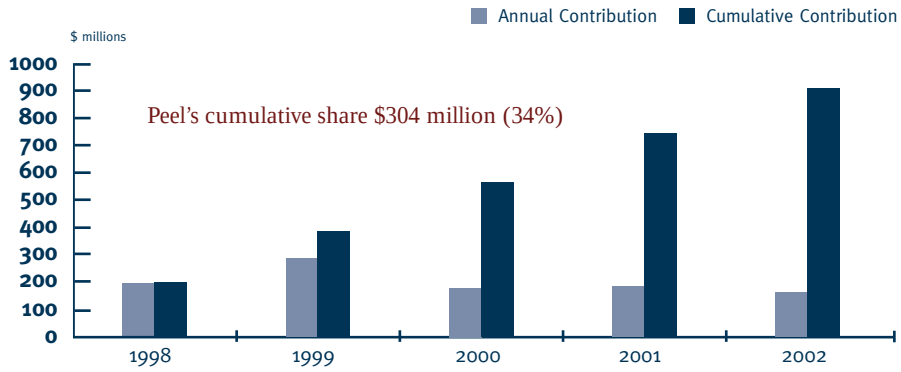
For 2003, Peel's primary objective is to eliminate pooling from the budget, in order to redirect these resources towards meeting Peel taxpayer objectives. Peel's position is to remove the GTA pooling of social services from the property tax base and utilize provincial income tax funding whereby all Ontarians share in the financing of social services. If the province will not eliminate pooling in 2003, Peel staff will continue to work with the GTA Working Group, a joint provincial/municipal initiative, to protect Peel's interest and limit the impact of GTA pooling in the short term.

Between 1998 and 2002, Peel has contributed $304 million to GTA pooling. This represents an average of $204 per household during the period. Table 9 shows that the GTA regions have contributed $903 million to GTA pooling during the five-year period. Peel's share represents 34 per cent of this amount.

Table 9

Total Greater Toronto Area Regions

Pooling Contributions Since 1998



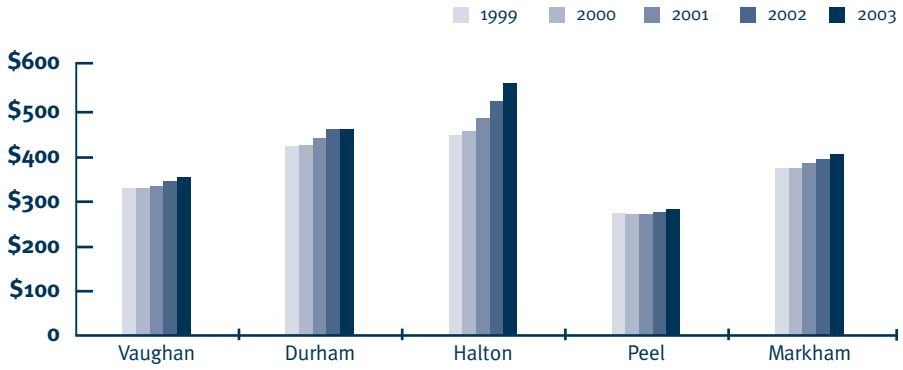
Utility Rate Supported Budget

The Region continues to maintain the lowest combined water and wastewater rates in the Greater Toronto Area (GTA). Operations continue to be debt-free; therefore the rates do not include any debt interest component.

Table 10 presents a five-year view of comparative residential homeowner combined rates.

Table 10

Residential Homeowner Combined Water and Wasterwater Utility Rate Bill



The 2003 Utility Rate Supported Current Budget reflects a total expenditure of $146.9 million - $71.8 million for the Water Program and $75.1 million for the Wastewater Program. This reflects an increase of $11.5 million or 8.4 per cent over 2002. The approved budget has resulted in an average residential and commercial utility rate increase of 2.2 per cent to support the tremendous growth in Peel and the increased service requirements. Effective with bills rendered on or after April 1, 2003, the water and wastewater rates will increase by 3 per cent. Table 11 presents the average impact split.

Table 11

2003 Utilility Rate Budget Impact

Water	Wastewater	Average Impact
+3%	+3%	+2.2%

Table 12 provides the impact of the utility rate increase by user classification. The average 2003 residential water and wastewater user fee is $285 per household. Peel residents pay significantly less for water and wastewater services combined than for any other utility.

Table 12

Impact of Utility Rate Increase = 2.2%

	Average Industrial	Average Commercial	Average Small Business	Average Household
2003 Utility Bill Impact	$48	$64	$16	$6

Table 13 indicates the actual rates by service measurement type.

Table 13

Water Rates

Meter Measurement Type	Water Rate	Wastewater Rate
Meter measure - cubic metres (m^3)	$4.2008 per 10 m^3	$4.9845 per 10 m^3
Meter measure - imperial gallons	$1.91 per 1,000 gallons	$2.27 per 1,000 gallons
Flat rate (prior to meter installation)	$6 per month	$6 per month

2003 Utility Rate Supported Budget Pressures/Issues

The major pressures/issues related to both the Water and Wastewater programs are as follows:

- **Capital Financing (Internal): + $4.7** million. Increased Wastewater Program reserve contributions are required to meet the needs of the capital budget for 2003 and beyond, in particular for projects and initiatives related to the treatment plants and pumping stations, primarily the Lakeview Treatment Plant expansion. Water Program reserve contributions are increased only slightly to meet future needs.

- **Non Program: + $3.2 million:** Increased Non Program costs are due to a number of factors, mainly an increase in corporate charges allocated to the Water Program.

Water and Wastewater flow revenue increased by $7.4 million in 2003, reflecting consumption patterns that are consistent with Peel's population growth projections. After applying this increase, as well as an increase in other revenues of $1.0 million, to the Water and Wastewater total program expenditure increase of $11.5 million, the net rate impact is $3.1 million, an average utility rate increase of 2.2 per cent. Table 14 outlines the 2003 Utility Rate Supported Current Budget impact.

Table 14

2003 Utility Rate Supported Current Budget Impact

2.2% Average Utility Rate Increase

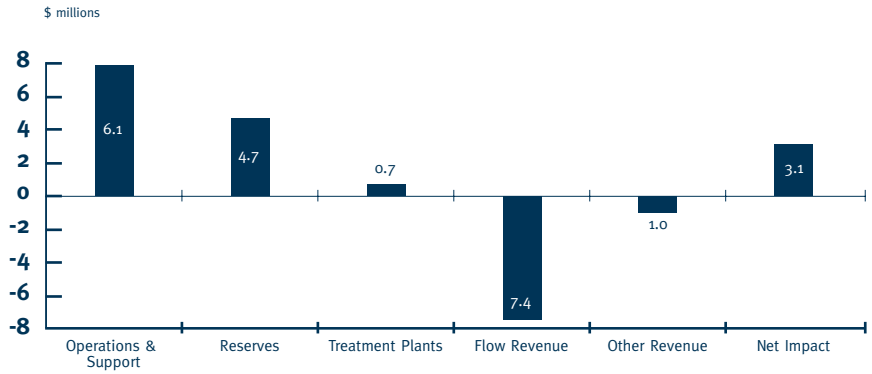
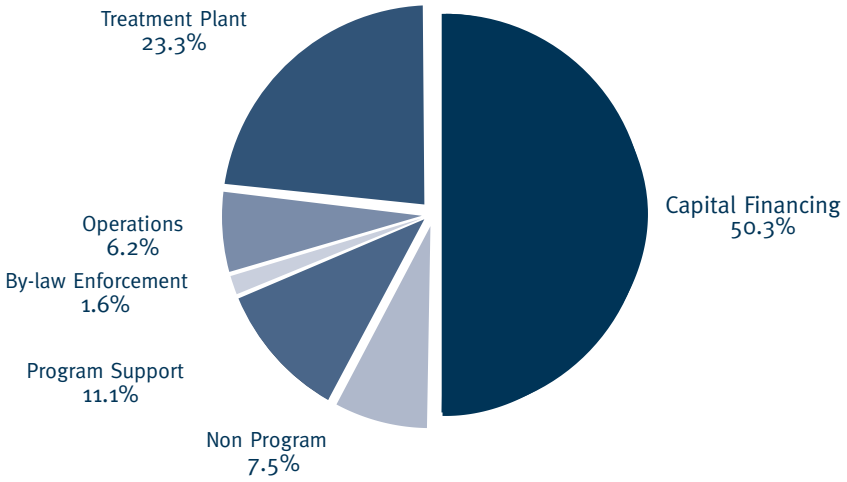


Table 15 indicates the significant components of the $146.9 million total program costs for the 2003 Water and Wastewater programs:

Table 15

2003 Utility Rate Supported Current Budget

Total Expenditure = $146.9 million



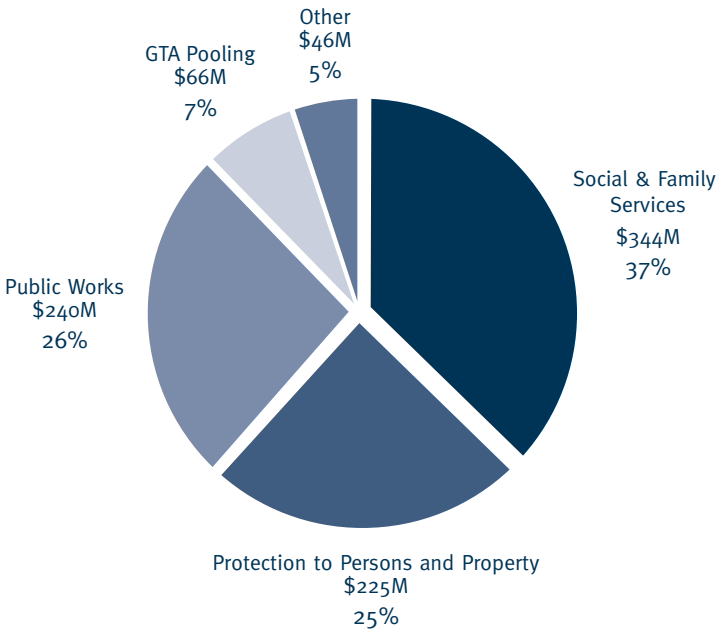
Distribution of Total Program Expenditures

Table 16 presents the Region's ***2003 Current Budget*** total program expenditures for all Region funded programs of $921.4 million, which includes both the Property Tax Supported programs ($774.5 million) and the Utility Rate Supported programs ($146.9 million). Descriptions of the classifications presented follow the table.

Table 16

2003 Total Operating Expenditures

$921 million



Protection to Persons and Property includes Peel Regional Police, Ontario Provincial Police, Ambulance and Emergency Programs and Conservation Authorities.

Social and Family Services includes Ontario Works, Long-Term Care, Housing Policy and Program, Public Health, Children's Services and TransHelp.

Public Works includes Roads, Waste Management, Water and Wastewater.

Other includes Regional Planning, Heritage, Non Program, Internal Support Services, Assessment Services and GO Transit.

Greater Toronto Area (GTA) Pooling is the Region's share of costs for the pooling of Ontario Works and Social Housing services in the GTA.

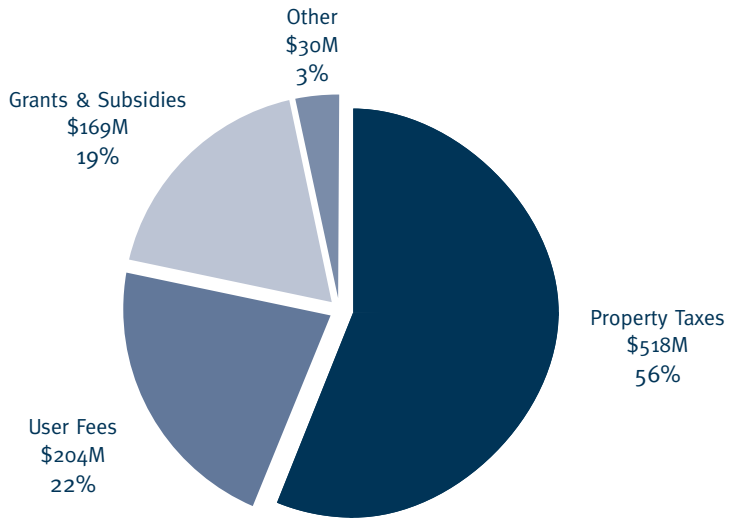
Revenue Trends

The 2003 Total Operating Expenditure for both Property Tax Supported and Utility Rate Supported programs is $921.4 million. The major funding sources of property taxes, user fees, grants and subsidies required to balance the budget are outlined below in Table 17.

Table 17

2003 Revenue Sources

$921 million



Property Taxes

The Region obtains the most significant portion of its funding from property taxation. In 2003, $518.0 million or 56.2 per cent of total Regional funding will be provided by a direct tax levy on the three area municipalities for upper tier purposes. This represents an increase of $30.9 million over 2002. Fifty-eight per cent of the increase is funded by growth in the property assessment base of 3.7 per cent ($18.0 million). The remaining 42 per cent ($12.9 million) is funded by a 2.6 per cent property tax increase. This increase translates into a $33 annual property tax increase to $1,318 for an average single-family home assessed at $259,000.

Although residential, industrial and commercial growth is forecasted to continue over the foreseeable future, even prior to taking into account the economic slowdown,

assessment growth was not expected to be sustainable at levels over 3 per cent. The lag effect of the slowdown on assessment growth may result in yet even lower levels for the 2004 Current Budget.

The Regional Planning department forecasts continued growth of approximately 2 per cent per annum, for the short- to mid-term horizon.

User Fees

One of Council's fundamental financial principles has been to support user pay initiatives wherever practical as a means of maintaining competitive tax/utility rates. In 2003, $204.4 million or 22.2 per cent of total funding will be provided by the collection of various user fees.

The largest components of the user fee base are the Water and Wastewater programs, which are fully supported by direct charges totaling $144.4 million for water and wastewater services. Water and wastewater flow revenue reflects consumption patterns that are consistent with Peel's population growth projections, thereby increasing $7.4 million in 2003. After applying this increase as well as an increase in other revenues of $1.0 million to the Water and Wastewater total program expenditure increases of $11.5 million, the net rate impact is $3.1 million, an average utility residential and commercial utility rate increase of 2.2 per cent. The increase will support the tremendous growth and increased service requirements in Peel. Effective with bills rendered on or after April 1, 2003, the water and wastewater rates will increase by 3 per cent.

In addition to these revenues, a further $59.6 million is collected by various Regional programs. For example, the Peel Regional Police Airport Division is fully supported by the Greater Toronto Airports Authority (GTAA). Fees are also charged by many of the Region's Social and Family Services programs. These include user fees for homes for the aged, child care centres and the TransHelp transit service, based in large part, on the client's ability to pay in order not to restrict access to services to those most in need.

Grants and Subsidies

In 2003, $168.7 million or 18.3 per cent of total Regional funding will be provided by provincial and federal grants and subsidies. Approximately $145.3 million of this amount represents estimated funding from provincial conditional grants. These

grants are tied directly to legislated cost sharing arrangements whereby provincial funding will adjust with approved spending, as follows:

Provincial Conditional Grants

Regional Program	Program Costs*	Administrative Costs*
Ontario Works	80%	50%
Children's Services	80%	50%
Public Health		
- General Programs	50%	50%
- Healthy Babies, Health Children Program	100%	100%
Ambulance and Emergency Programs		
- Ambulance	50%	50%
Long-Term Care	43%	43%

*subject to budgetary caps and other restrictive conditions

In addition, the province is flowing through funds, within the federal housing transfer to Ontario, to municipalities to be used for housing. The Region's total allocation for 2003 has been set at $23.5 million. The bulk of this funding is required for subsidy transfers to housing providers and will be determined annually by the province. Municipalities have the authority, within reasonable provincial guidelines, to determine the use of any surplus federal funds; however, the amount of such future surplus cannot be reliably predicted at this time.

Longer-term projections of this revenue source are difficult to make due to uncertainty of the provincial government's mandate direction. While traditionally the province has met its funding obligations, the current practice of the provincial government is to establish further conditions on all grants which may include establishing absolute financial limits and placing restrictions on cost items eligible for subsidy.

Other

Other sources of revenue in the amount of $30.3 million or 3.3 per cent of the budget include Payments in Lieu of Taxation (PILTS), net investment income, contributions from reserves and supplementary taxation and adjustments.

PILTS represent payments made by governments on those properties that they own or on whose behalf they make tax payments. The 2003 PILTS revenue is $9.9 million; the majority of the budgeted revenue is associated with receipts from the GTAA.

The 2003 net investment income of $2.3 million reflects the expectation that the Region will be in a positive working capital position in 2003.

Contributions from reserves and reserve funds provide $15.8 million of the 2003 Current Budget funding. Supplementary taxes represent the final portion of this "Other" category and are the net impact of supplementary taxes on new properties less any write-offs or refunds which are processed through the year by the area municipality tax offices. These adjustments relate to reductions that result from successful assessment appeals, rebates for business vacancies and Regional tax assistance programs such as rebates to charities and tax deferrals for seniors and persons with disabilities. For the 2003 Current Budget, additional taxes collected are expected to exceed the write-offs/ refunds by $2.3 million.

Tax Levy Apportionment

As an upper-tier municipality, the Region of Peel does not have direct taxing authority and is required to apportion its net operating costs among the three lower-tier municipalities, who in turn issue tax bills to all property owners.

The primary method used to apportion the Region's costs among the three area municipalities is weighted assessment, exclusive of Waste Management and Police Services costs.

Weighted assessment is a product of the taxable assessment, by class, multiplied by the transition ratio of the class for each lower-tier municipality (this will also include any discounts that are offered to some sub-classes of property). This is done in order to reflect the relative differences in the tax burden that will be borne by each class due to the use of the property class transition ratios.

Weighted assessment is used to apportion the upper-tier levy to the lower-tier municipalities as well as to the set the tax rates for each property class. The mechanics of calculating tax rates are as follows:

Levy/Weighted Assessment = residential property tax rate (residential class transition ratio is always 1.00)

All other property classes tax rates = residential property tax rate times the transition ratio of the class

The Region's 2003 apportionment process, as outlined in Table 18, can be described as follows:

Police

The Town of Caledon is served by the Ontario Provincial Police (O.P.P.) and all the costs related to servicing that contract are attributed to the Town of Caledon. The Cities of Mississauga and Brampton are served by the Peel Regional Police. Costs for the Peel Regional Police are allocated to the two cities based on their relative share of weighted assessment.

Waste Management

The total cost of waste management is attributed to the area municipalities based on their relative share of tonnage. In the Town of Caledon, a portion of the waste levy is collected through a user fee of $64 per household.

Other Costs

All other costs are apportioned on the basis of weighted assessment.

2003 Property Tax Apportionment Calculations

Table 18

2003 Property Tax Apportionment Calculations

	City of Mississauga	City of Brampton	Town of Caledon	Region of Peel
Gross General Levy Excluding Pooling, Waste & Police	146,946,285	64,051,019	12,745,850	223,743,154
GTA Pooling	43,369,362	18,903,859	3,761,779	66,035,000
Gross General Levy Excluding Waste & Police	190,315,647	82,954,878	16,507,629	289,778,154
2003 Share of Gross General Levy Excluding Waste & Police	*65.67633%*	*28.62703%*	*5.69664%*	*100.00%*
2003 Peel Region Policing Net Expenditure	120,898,332	52,697,224	-	173,595,556
2003 OPP Policing of Caledon Net Expenditure	-	-	6,232,616	6,232,616
	120,898,332	52,697,224	6,232,616	179,828,172
2003 Waste Management Net Expenditure	29,914,550	15,366,927	3,112,197	48,393,674
2003 Estimated Share Based on Tonnage	*61.8150%*	*31.7540%*	*6.4310%*	*100.00%*
2002 Waste Management Adjustments				
Adjustment Budget Estimate to Actual Tonnage	437,700	(380,318)	(57,382)	-
Adjustment Budget Estimate to Actual Expenditure	(2,152,218)	(1,104,889)	(208,232)	(3,465,339)
Surplus Management Contribution to Reserve	1,714,518	1,485,207	265,614	3,465,339
	-	-	-	-
Net General Levy	341,128,529	151,019,029	25,852,442	518,000,000
Raised Through				
Area Municipal Tax Rate	341,128,529	151,019,029	24,860,186	517,007,744
Waste Collection Fees ($64 x 15,504)	-	-	992,256	992,256
Tax Supported Net Expenditures	**341,128,529**	**151,019,029**	**25,852,442**	**518,000,000**
2003 Average Share	**65.8549%**	**29.1543%**	**4.9908%**	**100.00%**

Current Value Assessment

In 1998, the Province of Ontario introduced a revised assessment valuation system called Current Value Assessment (CVA), which is based on valuing properties at "current" or "market" value. This system was made mandatory across the province and placed properties on a common assessment base year and was more readily understandable to taxpayers. CVA for the 2003 taxation year is based on properties' market values as of June 30, 2001. The goal of CVA is to update property values on an annual basis and to use a three-year rolling average by 2006. The three-year averaging will help to smooth out anomalies in the assessed value of properties that may arise in any given year.

Properties in different classes are taxed at different tax rates as a result of historical differences in tax burdens that were present prior to the 1998 reforms to the property tax system. Typically, commercial, industrial and multi-residential properties pay higher taxes than residential properties. The different relative tax burdens among property classes are based on the transition ratios set by municipalities. Based on provincial rules, the transition ratio for the residential property class is always set at 1.00 and the managed forest property class is set at 0.25. Therefore, municipalities can only change the transition ratios for the commercial, farmland, industrial, multi-residential and pipeline classes of property. The transition ratios are used by municipalities to apportion the tax levy and to set tax rates for each class of property.

For purposes of apportioning the Regional levy, each municipality's CVA assessment is weighted by the transition ratios in order to establish a more accurate tax base on which to allocate the levy fairly.

Table 19 presents both the CVA and weighted assessment data by area municipality and by tax class.

Table 19

Current Value Assessment for 2003 Taxation

TAX CLASSES	Mississauga	Brampton	Caledon	Peel
Residential				
Fully Taxable	41,610,750,800	19,996,793,679	4,919,926,715	66,527,471,194
Awaiting Development I	18,429,000	2,524,120	42,000	20,995,120
Multi-Residential				
Fully Taxable	2,609,746,970	894,737,000	16,952,920	3,521,436,890
Awaiting Development I	13,366,290	4,280,000	-	17,646,290
Commercial				
Fully Taxable	11,563,444,099	3,636,491,311	267,903,225	15,467,838,635
Awaiting Development I	43,233,490	1,333,000	-	44,566,490
Vacant/Excess Land	390,911,317	123,770,223	20,086,190	534,767,730
Industrial				
Fully Taxable	3,301,308,895	1,667,223,423	252,342,745	5,220,875,063
Awaiting Development I	59,183,000	13,448,000	229,000	72,860,000
Vacant/Excess Land	336,395,049	166,576,558	27,053,525	530,025,132
Farm Land	12,344,800	108,553,470	278,180,410	399,078,680
Managed Forest	156,000	4,634,515	29,250,965	34,041,480
Pipeline	110,470,500	71,493,000	11,689,000	193,652,500
Total	**60,069,740,210**	**26,691,858,299**	**5,823,656,695**	**92,585,255,204**

Weighted Assessment for 2003 Apportionment

TAX CLASSES	Transition Ratio	Discount	Mississauga	Brampton	Caledon	Peel
Residential						
Fully Taxable	1.0000	0%	41,610,750,799	19,996,793,682	4,919,926,715	66,527,471,196
Awaiting Development I	1.0000	70%	5,528,700	757,236	12,600	6,298,536
Multi-Residential						
Fully Taxable	1.7336	0%	4,524,257,347	1,551,116,063	29,389,582	6,104,762,992
Awaiting Development I	1.0000	70%	4,009,887	1,284,000	-	5,293,887
Commercial						
Fully Taxable	1.2971	0%	14,998,943,341	4,716,892,879	347,497,273	20,063,333,493
Awaiting Development I	1.0000	70%	12,970,047	399,900	-	13,369,947
Vacant/Excess Land	1.2971	30%	354,935,748	112,379,649	18,237,658	485,553,055
Industrial						
Fully Taxable	1.5986	0%	5,277,472,400	2,665,223,364	403,395,112	8,346,090,876
Awaiting Development I	1.0000	70%	17,754,900	4,034,400	68,700	21,858,000
Vacant/Excess Land	1.5986	30%	376,432,788	186,402,500	30,273,436	593,108,724
Farm Land	0.2500	0%	3,086,200	27,138,368	69,545,103	99,769,671
Managed Forest	0.2500	0%	39,000	1,158,629	7,312,741	8,510,370
Pipeline	0.9239	0%	102,063,695	66,052,383	10,799,467	178,915,545
Total			**67,288,244,852**	**29,329,633,053**	**5,836,458,387**	**102,454,336,292**
			65.67633%	28.62703%	5.69664%	100.00000%

Current Summary Schedules

The following pages include descriptions of expenditure and revenue classifications as well as ***2003 Current Budget*** summary schedules.

The 2003 Budget Summary by Program (Table 20) and the Total Program Expenditure and Revenue Summary (Table 21) provide comparative data for each of the Region's programs. The Revenue and Expenditure Summary by Account in Table 22 presents the 2003 Current Budget by expense and revenue classifications such as Services and Rents, Grants and Subsidies.

Description of Revenue Classifications

Grants and Subsidies

- subsidies received from various ministries of the provincial government including Community and Social Services, Health and Long-Term Care, Environment and Transportation
- grants received from the federal government.

Fees and Service Charges

- recovery of expenses related to police services provided to the Greater Toronto Airport Authority (GTAA)
- fees collected for providing child care service, maintaining senior citizen homes, meter installation and small sewer connections
- other fees and charges for inspection and engineering services, as well as recoveries from provincial government and other organizations for work done by the Region.

Wastewater and Water Charges

- direct billings for water and wastewater

Investment Income

- interest earned on deposits with banks and other financial institutions

Contributions from Reserves

- contributions from reserves and reserve funds to current operations

Payments in Lieu of Taxation

- payments made by government for their properties that are classed as exempt from realty or business taxes

Supplementary Taxation and Adjustments

- general levy pertaining to taxable assessment added to the tax roll after January 1 of a given tax year
- tax rebates and uncollectible tax write-offs.

General Taxation Levy

- general tax levy collected by the Town of Caledon, the City of Mississauga and the City of Brampton through its tax rolls on behalf of the Region
- net financing required from taxation to support Regional programs, other than Water and Wastewater.

Description of Expenditure Classifications

Services and Rents

- payments to external agencies and organizations for services provided to the Region including policing, child care, water and wastewater
- payments to cover the costs of programs administered by the province including GTA Equalization/Pooling for Social Services and Assessment Services.

Materials and Supplies

- materials and supplies purchased for the operation of Regional programs and facilities
- includes food and beverages for seniors and child care, construction materials, vehicle supplies and utility payments.

Equipment and Furnishings

- includes purchases of furniture, computer hardware, replacement equipment and police weaponry

Internal Charges

- allocation of service charges from source to user departments
- includes finance, police, health, social services, public works, and corporate administration service charges.

Salaries and Wages

- salaries and wages for full-time, part-time and contract staff
- includes overtime, shift and standby premiums, vacation pay, clothing and tool allowances, and the Region's share of employees' benefits.

Reserve Contributions

- contributions to Regional reserves and reserve funds

Debt Charges

- includes interest cost on debenture debt

Grants and Transfer Payments

- payments for social assistance including drug benefits, disability support, housing, employment and general assistance
- transfer payments to conservation authorities.

Internal Recoveries

- recoveries of expenses by the source departments from the internal charge allocation process

Internal Recoveries - Capital

- recoveries of expenses by source departments that were charged to capital projects by the internal allocation process

Table 20

2003 Budget Summary By Program ($'000)

	Budget 2003				Budget 2002	Change from 2002	
	Total Expenditure	Revenues Grants	Revenues Other	Net Expenditure	Net Expenditure	$	%
PROPERTY TAX SUPPORTED							
Roads	27,459	-	383	27,075	25,226	1,849	7.3
Waste Management	65,273	-	16,880	48,394	44,482	3,912	8.8
Regional Planning	3,194	-	81	3,113	3,125	(11)	(0.4)
TransHelp	5,880	-	559	5,321	5,163	158	3.1
Children's Services	38,706	27,524	2,302	8,880	8,310	571	6.9
Public Health	37,073	21,687	1,038	14,349	12,260	2,090	17.0
Long-Term Care	41,597	18,411	10,243	12,943	9,800	3,143	32.1
Housing Policy and Program	96,378	24,709	6,446	65,223	66,823	(1,600)	(2.4)
Heritage	1,441	38	383	1,019	1,058	(39)	(3.6)
Ambulance and Emergency Programs	24,534	8,293	350	15,891	13,332	2,559	19.2
Non Program/Internal Support	28,540	-	29,442	(902)	4,676	(5,578)	(119.3)
Region Directly Controlled Programs	370,074	100,662	68,106	201,307	194,254	7,053	3.6
Ontario Works	124,206	68,054	1,331	54,821	45,400	9,420	20.7
Region Controlled Programs	494,280	168,716	69,437	256,127	239,654	16,473	6.9
Peel Regional Police	191,810	-	18,215	173,596	156,540	17,056	10.9
Ontario Provincial Police	6,385	-	152	6,233	5,897	335	5.7
	198,195	-	18,367	179,828	162,437	17,391	10.7
Conservation Authorities	2,797	-	-	2,797	3,751	(954)	(25.4)
Assessment Services	11,212	-	-	11,212	10,780	432	4.0
GO Transit	2,000	-	-	2,000	20,942	(18,942)	(90.4)
Region Financed External Organizations	214,205	-	18,367	195,838	197,911	(2,073)	(1.0)
			-				
Greater Toronto Area Pooling	66,035	-		66,035	66,035	-	0.0
Property Tax Supported	774,520	168,716	87,804	518,000	503,600	14,400	2.9
UTILITY RATE SUPPORTED							
Water	71,833	-		70,210	65,215	4,995	7.7
Wastewater	75,128	-	1,623	74,236	67,528	6,708	9.9
Utility Rate Supported	146,961	-	892	144,446	132,743	11,703	8.8
			2,515				
TOTAL REGION	921,481	168,716	90,319	662,446	636,343	26,103	4.1

Note: Schedule may not add due to rounding

Table 21

Total Program Expenditure and Revenue Summary ($'000)

	Actual		Budget	
PROGRAM EXPENSES	**2001**	**2002**	**2002 (revised)**	**2003**
Roads	25,912	26,312	25,554	27,459
Waste Management	51,090	58,687	62,103	65,273
Regional Planning	3,147	3,162	3,205	3,194
TransHelp	5,511	5,563	5,642	5,880
Children's Services	37,038	38,002	36,348	38,706
Public Health	27,557	30,679	31,441	37,073
Long-Term Care	29,054	31,215	30,312	41,597
Housing Policy and Program	76,774	86,278	98,505	96,378
Heritage	1,318	1,404	1,464	1,441
Ambulance and Emergency Programs	20,099	22,745	22,164	24,534
Non Program/Internal Support	37,690	33,007	27,110	28,540
Region Directly Controlled Programs	315,191	337,054	343,848	370,074
Ontario Works	108,948	125,155	104,782	124,206
Region Controlled Programs	424,139	462,209	448,630	494,280
Peel Regional Police	158,751	174,894	173,269	191,810
Ontario Provincial Police	5,520	6,152	6,042	6,385
	164,271	181,046	179,312	198,195
Conservation Authorities	3,295	4,131	3,751	2,797
Assessment Services	10,644	10,781	10,780	11,212
GO Transit	20,411	20,454	20,942	2,000
Greater Toronto Services Board	498	-	-	-
Region Financed External Organizations	199,119	216,411	214,786	214,205
Greater Toronto Area Pooling	65,994	69,712	66,035	66,035
Property Tax Supported	689,252	748,332	729,451	774,520
Water	82,012	70,029	67,046	71,833
Wastewater	69,245	74,464	68,449	75,128
Utility Rate Supported	151,256	144,493	135,495	146,961
TOTAL REGION	840,508	892,824	864,946	921,481
SOURCES OF REVENUE				
Grants and Subsidies	126,671	159,992	148,563	168,716
Greater Toronto Airports Authority	9,159	10,760	10,365	11,455
Senior Citizens Resident Fees	7,153	7,094	6,982	9,413
Child Care Fees	2,228	2,307	1,950	2,269
Connection Charges	4,382	4,152	3,607	3,589
Waste and Disposal Charges	4,415	3,496	4,641	3,296
Wastewater and Water Charges	130,940	141,831	132,743	144,446
Other Fees and Service Charges	47,942	24,512	27,670	29,903
Net Investment Income	2,267	2,593	2,593	2,319
Payments in Lieu of Taxation	9,746	8,648	8,000	9,921
Supplementary Taxation and Adjustments	8,469	5,495	(497)	2,389
General Taxation Levy	476,700	503,600	503,600	518,000
REGION SUB TOTAL	830,071	874,480	850,218	905,716
Contributions from Reserves	10,437	18,345	14,728	15,765
TOTAL REGION	840,508	892,824	864,946	921,481

Note: Schedule may not add due to rounding

Table 22

Revenue and Expenditure Summary by Account ($'000)

	Actual		Budget	
	2001	2002	2002 (revised)	2003
REVENUES				
Grants and Subsidies	126,748	159,992	148,563	168,716
Greater Toronto Airports Authority	9,159	10,760	10,365	11,455
Senior Citizens Resident Fees	7,153	7,094	6,982	9,413
Child Care Fees	2,228	2,307	1,950	2,269
Connection Charges	4,382	4,152	3,607	3,589
Waste and Disposal Charges	4,415	3,496	4,641	3,296
Wastewater and Water Charges	130,940	141,831	132,743	144,446
Other Fees and Service Charges	47,942	24,512	27,670	29,903
Net Investment Income	2,267	2,593	2,593	2,319
Payments in Lieu of Taxation	9,668	8,648	8,000	9,921
Supplementary Taxation and Adjustments	8,469	5,495	(497)	2,389
General Taxation Levy	476,700	503,600	503,600	518,000
Total Revenue	830,071	874,480	850,218	905,716
EXPENSES				
Services and Rents	237,904	263,354	259,773	258,232
Materials and Supplies	19,472	25,690	24,471	26,677
Equipment and Furnishings	3,019	3,245	2,242	2,543
Salaries and Wages	252,921	278,172	278,086	323,834
Debt Charges	276	216	217	577
Grants and Transfer Payments	157,427	178,512	182,314	191,996
Internal Recoveries - Capital	(12,024)	(15,790)	(16,050)	(16,470)
Total Expenses	658,996	733,400	731,054	787,388
Net Revenue	171,075	141,080	119,165	118,328
Contributions to Reserves	(181,512)	(159,425)	(133,892)	(134,093)
Contributions from Reserves	10,437	18,345	14,728	15,765
Net Contributions to Reserves	(171,075)	(141,080)	(119,165)	(118,328)
CHANGE IN CURRENT FUND BALANCE	-	-	-	-
Opening Current Fund Balance	-	-	-	-
CLOSING CURRENT FUND BALANCE	-	-	-	-

Note: Schedule may not add due to rounding

2003 Business Plan





2003 Capital Budget and 2004 - 2012 Capital Forecast

2003 Capital Budget Highlights

The 2003 Capital Budget is $724.3 million, of which $451.0 million (62.3 per cent) is utility rate supported and $273.3 million (37.7 per cent) is property tax supported.

This year's Capital Budget reflects the implementation of Council's strategic directions and includes:

- Implementation of the approved 1999 Development Charge Capital Plan to meet ***Regional Official Plan*** growth requests:

Roads	$55.9 million
Water	$51.3 million
Wastewater	$152.9 million

- Peel's contribution to the GO Transit Growth/Enhancement Capital Plan is $4.8 million. GO Transit capital expenditures are shared between Peel and its GTA partners.

Many of the capital initiatives will be implemented over a two to three year period; however, the contractual awards will be made in 2003. Total cash flow expenditures are forecasted to be in the $400.0 million range (refer to Continuity Schedule of Reserves and Reserve Funds - Table 32).

The 2003 Capital Budget financing needs are funded from reserves (52.5 per cent), development charges (36.7 per cent), and other external sources (10.8 per cent). The 2003 Sources of Financing by Program details, found in Table 29, provides comparative data for each of the Region's programs.

Within the 2003 Capital Budget, reserves account for a greater portion of the property tax supported funding (73.0 per cent) than they do of the utility rate supported funding (40.1 per cent). Conversely, development charges account for a greater portion of the utility rate supported funding (45.3 per cent) than they do of the property tax supported funding (22.7 per cent).

The 2003 Capital Expenditures and Financing are summarized in Table 23, and shown pictorially in Table 24 – Total 2003 Capital Budget, Table 25 – Property Tax Supported Programs, and Table 26 - Utility Rate Supported Programs respectively.

Table 23

2003 Capital Expenditures and Financing Summary

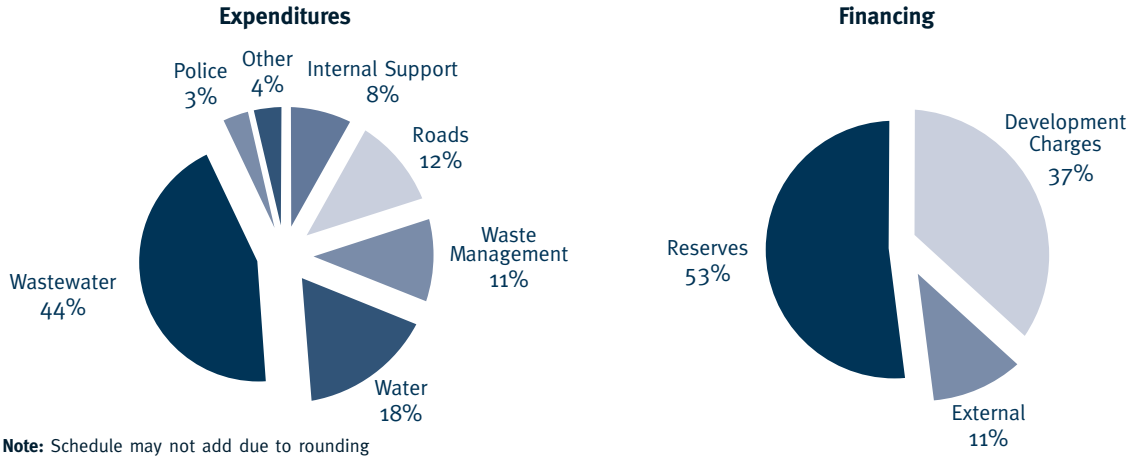
	Total (Table 24)		Property Tax Supported (Table 25)		Utility Rate Supported (Table 26)	
	($'000)	%	($'000)	%	($'000)	%
Expenditures						
Roads	87,627	12%	87,627	32%		
Waste Management	76,075	11%	76,075	28%		
Police	22,150	3%	22,150	8%		
Other	30,972	4%	30,972	11%		
Internal Support	56,503	8%	56,503	21%		
Water	133,381	18%			133,381	30%
Wastewater	317,620	44%			317,620	70%
Total	724,328	100%	273,327	100%	451,001	100%
Financing						
Development Charges	266,098	37%	61,953	23%	204,145	45%
External	77,817	11%	11,854	4%	65,963	15%
Reserves	380,413	53%	199,520	73%	180,893	40%
Total	724,328	100%	273,327	100%	451,001	100%

Note: Schedule may not add due to rounding

Table 24

2003 Capital Budget

Total 2003 Capital Budget $724.3 million



Note: Schedule may not add due to rounding

Table 25

2003 Capital Budget

Property Tax Supported Programs $273.3 million

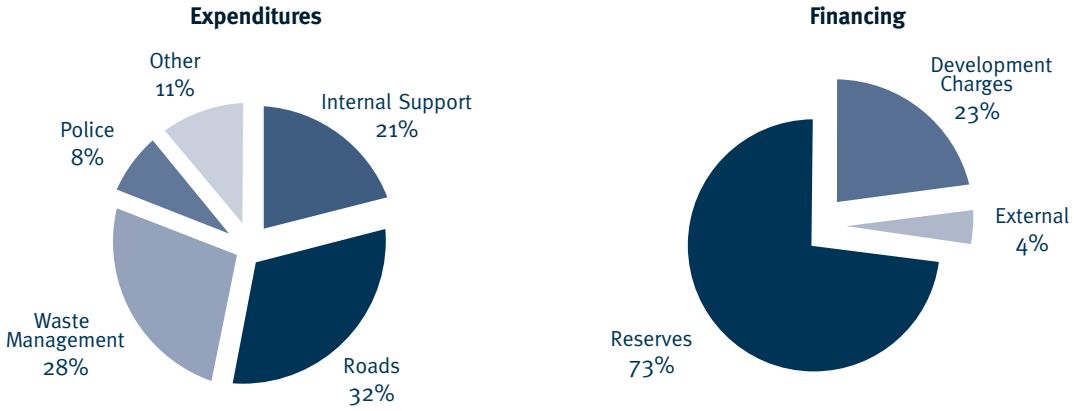
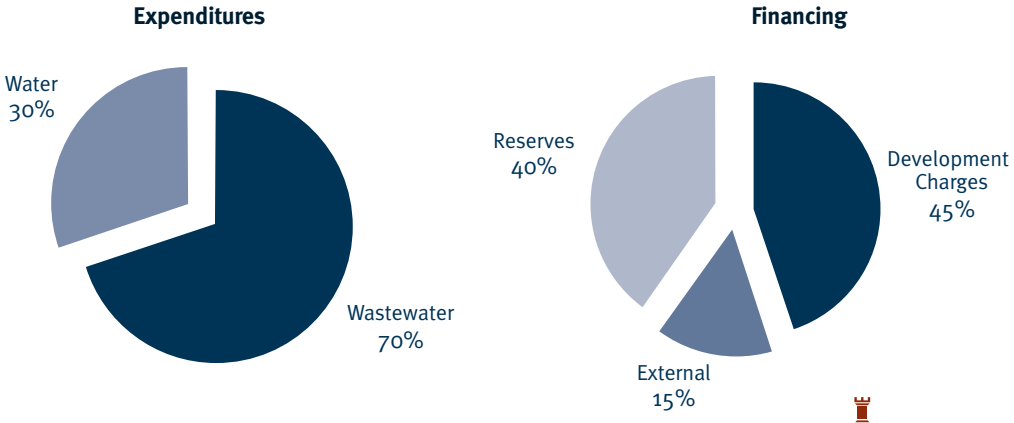


Table 26

2003 Capital Budget

Utility Rate Supported Programs $451.0 million



Ten Year Capital Plan Highlights 2003-2012

In order to fully assess the sustainability of its business programs, a capital budget is not only developed for the coming year, but also a further nine-year forecast is developed to identify and plan for future expected fiscal pressures.

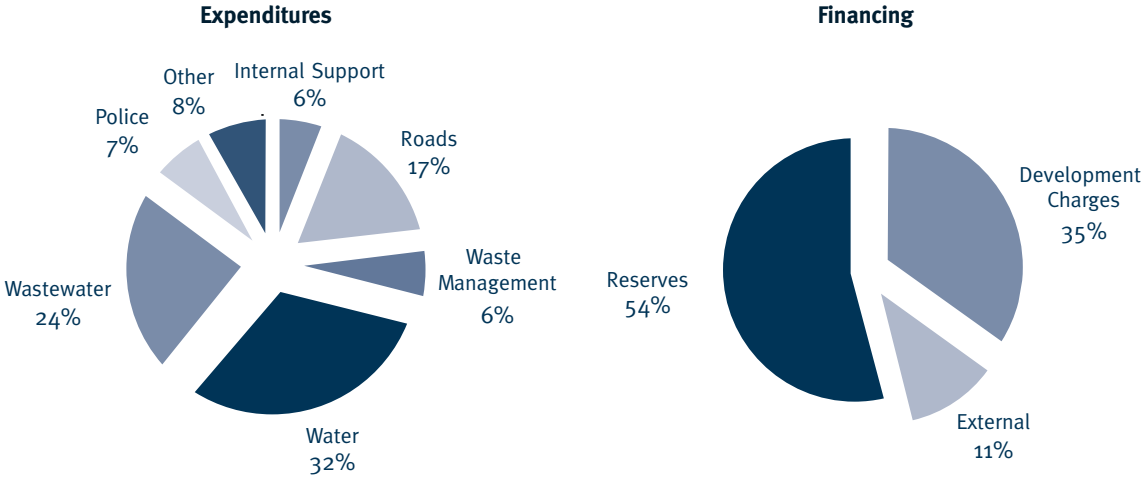
The Ten-Year Capital Plan for the period ending 2012 reflects an estimated spending program of $2.3 billion. Of the total plan, $1.3 billion, or 55.8 per cent, relates to the costs required to support the Water and Wastewater components of our service responsibilities. The balance of $1.0 billion represents the spending estimate for the broad range of tax supported programs including Roads, Police, Waste Management, and Long-Term Care. Table 27 represents the total expenditures and financing by program.

The Capital Plan is funded from tax and rate (non-growth related) reserves (54.3 per cent) and development charges (34.9 per cent). The balance of the funding is from external sources (10.8 per cent). The majority of funding from external sources is from bordering regional governments for boundary road works and the York/Peel water and wastewater servicing initiative. The 2003-2012 Sources of Financing by Program, Table 30, provides comparative data for each of the Region's programs.

Table 27

2003 - 2012 Capital Plan

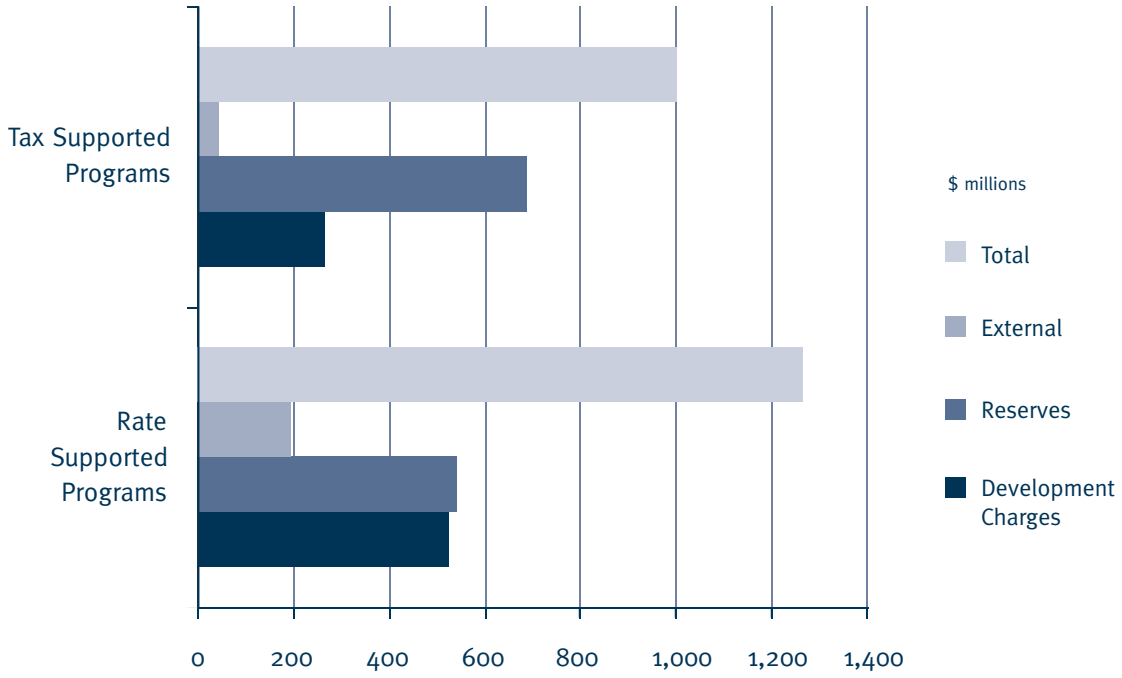
Total Expenditures and Financing $2.3 billion



The reserves account for a greater portion of the property tax supported funding (68.7 per cent) than they do of the utility rate supported funding (43.0 per cent). Conversely, while development charges fund growth related expenditures and account for 34.9 per cent of the total funding requirement, they account for a greater portion of the utility rate supported funding (41.4 per cent) than they do of the property tax supported funding (26.7 per cent). Therefore, it is essential to maintain sufficient reserves to sustain the Corporation's multi-billion dollar investment in public infrastructure to meet the planned growth as per the ***Regional Official Plan*** (ROP) while maintaining the existing infrastructure. Table 28 outlines these financing comparisons.

Table 28

2003 – 2012 Capital Financing



Impact of 2003 Capital Budget on the Current Budget

A disciplined approach to "Pay as You Go" capital budgeting principles enables the Region to finance capital plans via its growth and non-growth reserves, delivering efficient and effective programs while maintaining a debt-free position.

Capital projects are approved by Council and are financed on a "just-in-time" basis, which allocates funds from reserves and reserve funds to the capital projects as expenditures are incurred. This financing method yields higher annual investment income for the reserves and reserve funds and has resulted in a base contribution to reserve of $158.4 million ($248.3 million net of development charge contributions of $88.9 million) in 2002 (refer to Table 32 for the Continuity Schedule of Reserves and Reserve Funds).

To assess the sustainability of the Region's programs, not only is a capital budget developed for the coming year, but also a nine-year forecast is developed to identify future potential fiscal pressures. It is evident from the Ten-Year Capital Plan that the 2003 Capital Budget has an impact on the Current Budget in a number of programs.

The following is a synopsis of the 2003 Capital Budget impact on the Current Budget:

Ambulance and Emergency Services - The capital program includes new ambulances and related medical equipment within the next 10 years. Each of these ambulances will be staffed in order to meet the growth demands.

Housing Policy and Program - The capital program calls for the construction and operation of three housing projects, with approximately 125 housing units. It is proposed that projects will be established in a manner that will make them self-funding through direct project revenue and provincial subsidies, and reallocation of subsidies within the existing program envelope.

Property Services - The capital program includes the construction of a joint use administration and police division facility for future consolidation of existing lease spaces into a central Regional facility.

Public Health - The capital program includes funds for construction and/or leasehold improvements for new Public Health clinics that will house expanded health-related services. Operating costs for additional space are included in the 2003 Operating Budget for Public Health.

Roads - The capital program incorporates the widening of several regional roads (impacting the reserve contribution), traffic signalization, and winter and roadside maintenance in the 2003 current budget.

TransHelp - The capital program includes plans to add two new buses to the fleet annually, to accommodate service level growth. This will result in additional operating costs.

Wastewater - The capital program incorporates expansions and upgrades to two treatment facilities, Lakeview and Clarkson, to provide additional capacity. These works will impact the current budget upon completion of the projects. To finance this commitment in a sustainable manner, the wastewater rates have been increased by 3.0 per cent.

Water - The capital program incorporates expansions and upgrades to the Lakeview Treatment Plant in order to provide additional capacity. These works will impact the current budget upon completion of the projects. In addition, an enhanced degree of support to Regional and Conservation Authority capital projects focused on water quality and conservation require the Region to increase reserve contributions for these initiatives. To finance these commitments in a sustainable manner, the water rates have been increased by 3.0 per cent.

2003 Sources of Financing by Program

Table 29

2003 Sources of Financing by Program

	Development Charges ($'000)	Reserves ($'000)	External ($'000)	TOTAL FINANCING ($'000)	%Total Program
PROPERTY TAX SUPPORTED					
Roads	55,918	27,312	4,397	87,627	12.10%
Waste Management	-	76,075	-	76,075	10.50%
Regional Planning	493	225	-	718	0.10%
TransHelp	57	385	120	562	0.08%
Children's Services	-	1,391	-	1,391	0.19%
Public Health	1,100	500	-	1,600	0.22%
Long-Term Care	-	1,200	-	1,200	0.17%
Housing Policy and Program	-	9,710	6,473	16,183	2.23%
Heritage	-	571	-	571	0.08%
Ambulance & Emergency Programs	1,720	1,149	-	2,869	0.40%
Region Directly Controlled Programs	**59,288**	**118,518**	**10,990**	**188,796**	**26.06%**
Peel Regional Police	707	20,173	864	21,744	3.00%
Ontario Provincial Police	38	368	-	406	0.06%
Conservation Authorities	-	1,078	-	1,078	0.15%
GO Transit	1,920	2,880	-	4,800	0.66%
Region Financed External Organizations	**2,665**	**24,499**	**864**	**28,028**	**3.87%**
Property Tax Supported	**61,953**	**143,017**	**11,854**	**216,824**	**29.93%**
UTILITY RATE SUPPORTED					
Water	51,274	57,221	24,886	133,381	18.41%
Wastewater	152,871	123,672	41,077	317,620	43.85%
Utility Rate Supported	**204,145**	**180,893**	**65,963**	**451,001**	**62.26%**
INTERNAL SUPPORT SERVICES					
Internal Support Public Works	-	4,206	-	4,206	0.58%
Internal Support Property Services	-	43,644	-	43,644	6.03%
Executive & Council	-	1,100	-	1,100	0.15%
Corporate Services	-	208	-	208	0.03%
Corporate Finance	-	875	-	875	0.12%
Payroll, Purchasing, Accounting & Systems	-	2,070	-	2,070	0.29%
Meter and Revenue Services	-	250	-	250	0.03%
Information Technology Services	-	4,150	-	4,150	0.57%
Internal Support Services	**-**	**56,503**	**-**	**56,503**	**7.80%**
TOTAL REGION	**266,098**	**380,413**	**77,817**	**724,328**	**100.00%**
% Total Funding	36.74%	52.52%	10.74%	100.00%	

2003 - 2012 Sources of Financing by Program

Table 30

2003 - 2012 Sources of Financing by Program

	Development Charges ($'000)	Reserves ($'000)	External ($'000)	TOTAL FINANCING ($'000)	%Total Program
PROPERTY TAX SUPPORTED					
Roads	220,558	132,863	28,863	382,284	16.82%
Waste Management	-	147,163	-	147,163	6.47%
Regional Planning	4,149	2,714	60	6,923	0.30%
TransHelp	390	3,843	960	5,193	0.23%
Children's Services	-	5,348	-	5,348	0.24%
Public Health	5,600	1,450	-	7,050	0.31%
Long-Term Care	-	35,244	-	35,244	1.55%
Housing Policy and Program	-	11,285	6,473	17,758	0.78%
Heritage	-	1,582	-	1,582	0.07%
Ambulance & Emergency Programs	4,130	13,159	-	17,289	0.76%
Region Directly Controlled Programs	**234,827**	**354,651**	**36,356**	**625,834**	**27.53%**
Peel Regional Police	8,018	143,829	10,078	161,925	7.12%
Ontario Provincial Police	934	5,588	-	6,522	0.29%
Conservation Authorities	-	4,801	-	4,801	0.21%
GO Transit	24,160	36,240	-	60,400	2.66%
Region Financed External Organizations	**33,112**	**190,458**	**10,078**	**233,648**	**10.28%**
Property Tax Supported	**267,939**	**545,109**	**46,434**	**859,482**	**37.81%**
UTILITY RATE SUPPORTED					
Water	244,005	330,522	145,030	719,557	31.66%
Wastewater	281,299	214,553	52,922	548,774	24.14%
Utility Rate Supported	**525,304**	**545,075**	**197,952**	**1,268,331**	**55.80%**
INTERNAL SUPPORT SERVICES					
Internal Support Public Works	-	26,537	-	26,537	1.17%
Internal Support Property Services	-	47,435	-	47,435	2.09%
Executive & Council	-	8,250	-	8,250	0.36%
Corporate Services	-	1,049	-	1,049	0.05%
Corporate Finance	-	4,350	-	4,350	0.19%
Payroll, Purchasing, Accounting & Systems	-	12,940	-	12,940	0.57%
Meter and Revenue Services	-	2,100	-	2,100	0.09%
Information Technology Services	-	42,500	-	42,500	1.87%
Internal Support Services	**-**	**145,161**	**-**	**145,161**	**6.39%**
TOTAL REGION	**793,243**	**1,235,345**	**244,386**	**2,272,974**	**100.00%**
% Total Funding	34.90%	54.35%	10.75%	100.00%	

2003 Business Plan







Reserves and Reserve Funds

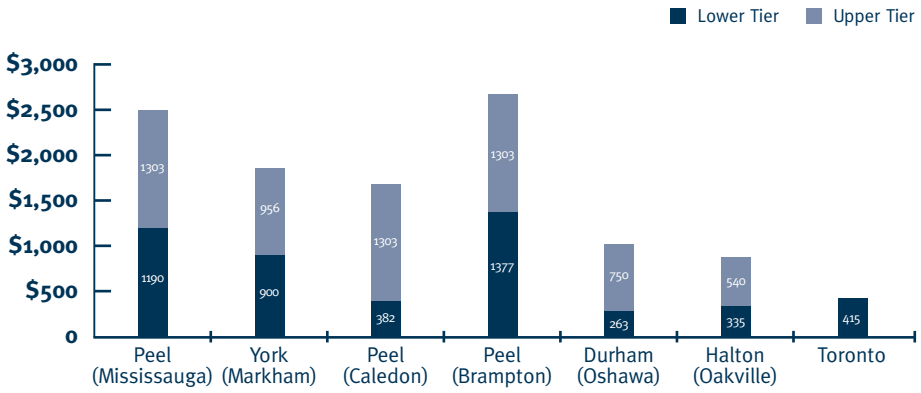
Peel continues to experience the benefits of sound fiscal management, which Council has put in place based on sustainability as the cornerstone of long-term financial planning. Reserves and Reserve Funds are financial management tools used to maintain the financial position of the Region and meet long-term objectives. Peel's evolvement to a fully funded annual capital plan from current reserve strategy is a major tool in delivering efficient and effective programs while remaining debt-free.

Peel has the highest level of reserves and reserve funds for upper-tier municipalities per capita in the GTA, as outlined in Table 31 below.

Table 31

Reserves and Reserve Funds Per Capita

December 31, 2001



Peel's positive position, which provides stronger program funding as opposed to debt charge funding, better equips the Region to accommodate future growth and maintain low tax rates.

The Region of Peel reserves are segregated into two categories, Reserves and Reserve Funds. Within each category, reserves are broken down by program and type. Both categories earn investment income on their balances.

A Reserve, which is unrestricted, is an appropriation from net revenue at the discretion of Council, after the provision for all known expenditures. It has no reference to specific assets and does not require the physical segregation of money or assets, as is the case with Reserve Funds. The primary source of revenue for reserves is transfers from current operations. Reserves are generally used to either mitigate the impact of operating cost and revenue fluctuations or to accumulate funds for future or contingent liabilities. Major expenditures are for transfers to both current and capital operations. The 2003 budget reflects a $131.2 million transfer to reserves representing a 2.0 per cent decrease from the 2002 budget. The Continuity Schedule of Reserves and Reserve Funds (Table 32) is a summary of projected year-end balances based on assumptions and recommendations reflected in this document. Table 33 reflects reserve and reserve fund balances by program at year end 2002.

Reserve Funds differ from Reserves in that reserve fund assets are segregated and restricted to meet the purpose of the reserve fund as defined in the *Municipal Act*. Peel's Reserve Funds are limited to those designated in financing growth-related capital projects as governed by the *Development Charges By-law* which is in accordance with the *Development Charges Act* (1997). The intent of this by-law is to ensure developers within the Region of Peel finance growth-related capital costs. Capital costs eligible for Development Charge funding are growth-related capital requirements for Water, Wastewater, Roads, Police, Long-Term Care, TransHelp, Health and Ambulance operations. Projected 2003 growth-related expenditures are $110.0 million, which will be funded from Development Charge Reserve Funds (refer to Table 32).

Peel's Ten-Year Capital Plan is financed exclusively from a combination of reserves, reserve funds and recoveries, with a minor projected debt component. It is expected that this debt component will be funded internally and will allow the Region to sustain its extensive public infrastructure. While significant reserve balances are available in both the Waste Management and Utility programs, Council has approved long-term infrastructure plans that partially commit these reserves.

Description of Major Types of Reserves and Reserve Funds

The following describes the major types of Reserves and Reserve Funds.

Major Types of Reserves:

Capital Construction

This major type of reserve is used for:

- funding new non growth-related capital projects that are not eligible for support from development charges
- minimizing year-over-year fluctuations.

Examples of reserves included in this major type are Capital Construction Reserves and Capital Financing Reserves.

Stabilization

This major type of reserve is used for:

- receiving surpluses and funding deficits arising from utility rate operations in order to minimize annual fluctuations in the utility rates
- providing self-insurance for vehicles, liability and facilities and receiving surpluses and funding deficits from claims and expenditures related to employee medical liabilities
- providing self-insurance for costs on claims related to on-the-job employee injuries
- funding new non growth-related capital projects that are not eligible for support from development charges and minimizing year-over-year fluctuations
- stabilizing the cost of policing the Town of Caledon by the Ontario Provincial Police (O.P.P.).

Examples of reserves included in this major type are Rate Stabilization Reserves, Insurance Stabilization Reserves, and Workers Compensation Reserves.

Vehicle and Equipment Replacement

This major type of reserve is used for:

- funding replacement of Region vehicles and equipment
- funding replacement of Regional police vehicles
- funding replacement of Regional Police operational and office equipment
- funding planned major building equipment repairs, maintenance, and replacement
- funding replacement of furniture.

Examples of reserves included in this major type are Vehicle and Equipment Replacement Reserves and Building Equipment and Furniture Replacement Reserves, Police Vehicle Replacement Reserves, and Police Operations and Office Equipment Reserves.

Building Replacement Reserve

This major type of reserve is used for:

- funding planned building repairs and maintenance of Region buildings.

Major Types of Reserve Funds:

Development Charges

This major type of reserve fund is used for:

- receiving residential and non-residential development charges which are used for funding growth-related capital projects for Regional Roads, Wastewater, Water, Police, Health, Long-Term Care, TransHelp, Health and Ambulance operations identified in the 1999 growth-related capital works forecast as per the *Development Charges By-law* (1999). The rates are indexed to the Construction Price Index published by Statistics Canada.

Continuity Schedule of Reserves and Reserve Funds ($'000)

Table 32

Continuity Schedule of Reserves and Reserve Funds ($'000)

Projection to December 31, 2003

	Reserves					
	Capital Construction	Stabilization	Vehicle and Equipment Replacement	Building Replacement	Development Charges Reserve Funds (*)	Total
Balance January 1, 2002	694,499	247,217	70,729	93,015	183,597	1,289,057
Contributions **	95,127	37,659	18,753	7,366	88,891	247,796
Interest	40,607	15,443	6,913	5,955	11,950	80,868
Transfers and Other	(62,439)	(13,728)	50,388	12,659	(967)	(14,087)
Expenditures	(86,252)	(10,426)	(21,039)	(18,464)	(89,433)	(225,614)
Balance December 31, 2002	681,542	276,165	125,744	100,531	194,038	1,378,020
2003 Estimated Contribution	93,549	14,942	17,995	4,706	90,000	221,192
2003 Estimated Interest	34,904	12,465	5,351	5,056	8,500	66,276
2003 Estimated Expenditures - Capital and Current	(165,000)	(50,000)	(50,000)	(25,000)	(110,000)	(400,000)
Projected Balance Dec. 31, 2003 ***	644,995	253,572	99,090	85,293	182,538	1,265,488

* The CICA Public Sector Accounting Board requires that Development Charges, previously reported as "Reserves and Reserve Funds", be reported as "Deferred Revenue - Development Charges" on the Region's statutory financial statements.

** Includes contributions from both Current and Capital operations, as opposed to the information presented in the Revenue and Expenditure Summary (Table 22), which only reflects contributions from Current operations.

*** Cash balance

Note: Schedule may not add due to rounding

Reserve and Reserve Fund Balances by Program ($'000)

Table 33

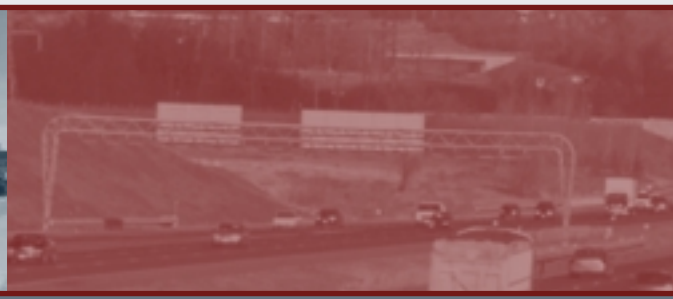
Region of Peel Reserve and Reserve Fund Balances by Program($'000)

as at December 31, 2002

Program	Reserves							
	Capital Construction	Stabilization	Vehicle and Equipment Replacement	Building Replacement	Development Charges Reserve Funds	Total	Committed Balance	Balance Available
Roads	64,347	2,328	6,296	1,450	64,318	138,739	(102,509)	36,230
Waste Management	209,244	27,710	279	35,465	-	272,698	(33,338)	239,360
Regional Planning	-	1,843	-	-	(288)	1,555	(1,167)	388
Long-Term Care	-	3,466	2,795	33,528	3,721)	36,068	(30,603)	5,465
TransHelp	-	-	1,088	430	189	1,707	(91)	1,616
Children's Services	-	-	-	2,650	-	2,650	(422)	2,228
Public Health	-	2,108	131	-	1,814	4,053	-	4,053
Housing Policy & Program	-	29,402	-	11,238	-	40,640	-	40,640
Heritage	-	119	-	895	-	1,014	(150)	864
Ambulance & Emergency Programs	-	2,498	868	-	355	3,721	(441)	3,280
Peel Regional Police	-	9,733	76,997	-	2,273	89,003	(54,577)	34,426
O.P.P.	-	2,648	-	-	462	3,110	(401)	2,709
Ontario Works	-	33,863	-	-	-	33,863	-	33,863
Conservation	5,101	-	-	-	-	5,101	-	5,101
GO Transit	29,582	-	-	-	4,078	33,660	(3,388)	30,272
Hospitals	67,392	-	-	-	-	67,392	(63,245)	4,147
Water	82,168	31,994	16,384	10,050	18,848	159,444	(140,028)	19,416
Wastewater	204,403	14,261	-	155	105,710	324,529	(104,390)	220,139
Internal Support Services	19,305	114,191	20,906	4,671	-	159,073	(25,805)	133,268
Total	681,542	276,164	125,744	100,532	194,038	1,378,020	(560,555)	817,465







Long-Term Debt

Under the terms of The *Regional Municipality of Peel Act*, Council has approved the issuance of debentures to finance its own capital expenditures and those of the area municipalities within the annual debt repayment limit prescribed by the Ministry of Municipal Affairs and Housing.

The annual debt repayment limit is defined as 25 per cent of net revenues less net debt charges and contractual commitments. In 2002, the Region's debt repayment limit increased by $25.2 million to $157.9 million primarily due to the exclusion of a provision for Social Housing. Based on existing debt commitments of $3.7 million, the Region was positioned to increase debt charges by $154.2 million during 2002.

The *Municipal Act*, as amended, permits Regional governments to issue debentures on behalf of local school boards. The Peel District School Board and the Dufferin-Peel Catholic District School Board provide education in the Region.

Long-term liabilities are reported net of that portion assumed by and recoverable from other governments and school boards as the responsibility for raising the funds required to service these liabilities lies with those respective governments and school boards.

The Region's shares of its own sinking funds are deducted to arrive at net long-term liabilities as they represent funds accumulated to retire those liabilities. The Region has maintained a zero net long-term debt position since 1996. The Region's share of the surplus in the Region's sinking fund amounted to $0.8 million at December 31, 2002.

A schedule of long-term liabilities is set forth below:

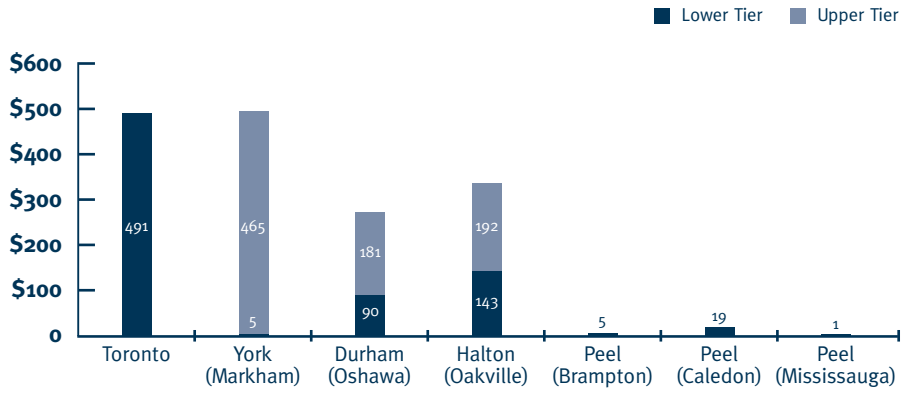
	($ '000)				
	1998	1999	2000	2001	2002
Long-term debt incurred by the Region	262,476	235,701	225,996	94,488	46,205
Less: Long-term debt incurred by the Region and assumed by: -Area municipalities	77,862	78,447	76,518	40,302	27,558
-School boards	180,148	153,702	145,982	51,470	17,237
	258,010	232,149	232,149	91,772	44,795
Gross long-term liabilities	4,466	3,552	3,496	2,716	1,410
Less: Region's share of sinking funds net of surplus on debt cancellation	4,466	3,552	3,496	2,716	1,410
Net long-term liabilities	-	-	-	-	-

In the year 2003, the Region plans to maintain its "Pay as You Go" philosophy and will therefore not use debt as a source to finance capital operations. Council's commitment to eliminate, and remain free of debt, has significantly improved the fiscal flexibility of both the Regional and area municipal operations and has contributed to our ability to deliver quality services combined with competitive tax and utility rates. Table 34 compares Peel's lower-tier municipality debt per capita with its GTA partners.

Table 34

Long-Term Debt per Capita

December 31, 2001



Glossary of Terms

Term	Definition
"A"(Approved)	Capital projects included in the Capital Budget that have been approved by Council. In reference to the 2003 Capital Budget document – 2003 Financing Sources and Funding Status report.
"P"(Pending)	Capital projects included in the 2003 Capital Budget that are approved by Council in principle only. Projects with Pending status require a subsequent management report to Council for consideration and approval. In reference to the 2003 Capital Budget document – 2003 Financing Sources and Funding Status report.
905 Municipalities	The Greater Toronto Area (GTA) municipalities which have a 905 area code. These include the surrounding regional municipalities of Durham, Halton, Peel and York excluding the City of Toronto which has an area code of 416.
ABC	see Activity Based Costing
Access Peel	The Regional customer service facility, which includes the corporate call centre, the Regional mailroom, internal courier service, and print and copy centre
Accrual basis of accounting	A basis of accounting in which expenditures and revenues are recorded at the time they are incurred as opposed to when cash is actually received or spent
ACP	see Advanced Care Paramedic
Activity Based Costing (ABC)	A key concept of the overall Corporate Performance Measurement (CPM) system whereby accounting records reflect full costing of services
Advanced Care Paramedic (ACP)	A paramedic with upgraded skills who is qualified to administer a broader range of drugs (than a primary care paramedic), manage an air-way, start an intravenous line and perform fully-manual defibrillation
AGCO	Alcohol and Gaming Commission of Ontario
AIMS	Asset Information Management System
AMO	Association of Municipalities of Ontario
AMR	Automatic Meter Reading
AquaPeel	A computer billing system for Water and Wastewater developed by the Region of Peel

Term	Definition
ASIS	American Society of Industrial Security
BCA	Building Condition Assessment
CACC	Central Ambulance Communications Centre
CALEA	Commission on Accreditation for Law Enforcement Agencies
Canada Mortgage and Housing Corporation (CMHC)	The Government of Canada national housing agency helping Canadians gain access to a wide choice of quality affordable homes through social housing, market housing, and housing support and research
Canadian Council on Health Services Accreditation (CCHSA)	A detailed comparison of an organization's services and method of operation against a set of national standards
Capital Budget	Funding to departments for long-term capital expenditures
Capital Finance Stabilization Reserve (CFSR)	A reserve intended to fund new, non-growth capital projects
Case Mix Index (CMI)	A measurement of the level of care required and provided to the residents of the long-term care facilities as determined by a classification system introduced by the province.
CCHSA	see Canadian Council on Health Services Accreditation
CCIP	Child Care in Peel
CCSMP	Child Care Service Management Plan
CDMS	Commissioners, Directors, Managers and Supervisors
CEA	Class Environmental Assessment
CFSA	*Child and Family Services Act*
CFSR	see Capital Finance Stabilization Reserve
Children in Need of Treatment (CINOT)	Dental programs for children whose families cannot afford necessary dental services
CIMS	see Common Information Management System
CINOT	see Children in Need of Treatment
CIS	Customer Information Systems
Class E.A.	Class Environmental Assessment
CMG	Chief's Management Group (Peel Regional Police)
CMHC	see Canada Mortgage and Housing Corporation
CMI	see Case Mix Index
CMRT	see Corporate Management Resource Team

Term	Definition
CMSM	see Consolidated Municipal Service Managers
CMT	Corporate Management Team
CNIB	Canadian National Institute for the Blind
Common Information Management System (CIMS)	Records management software of Peel Regional Police
Complement	The total number of regular full-time positions and full-time equivalents, with respect to regular part-time positions, approved by Council
Consolidated Municipal Service Managers (CMSM)	The establishment of 47 regions in the province responsible for the management (and in some cases delivery) of the Ontario Works programs, Child Care programs, Social Housing and Land Ambulance services
Consolidated Verification Process (CVP)	An approach for reviewing Social Assistance cases that is based on "risk management" practices
Cordon Count	An integral component of a Greater Toronto Area (GTA)-wide program used in determining the movement of vehicles and persons both intra and inter-regionally
Corporate Data Network (PeelNet)	Provides connectivity to all Region of Peel sites and consists of network servers, switches, hubs and associated network software
Corporate Management Resource Team (CMRT)	A management team established to take a lead role in recommending decisions and directions related to specific planning, policy and operational matters delegated by Executive Management Team (EMT) which have corporate-wide implications
Corporate Performance Measurement (CPM)	Efficiency, effectiveness performance indicators as well as broader measures of community well-being
Corporate Sustaining	A product or service that supports decision-making by Council and/or Executive Management Team (EMT); the cost of which is not essential to running internal business units, and may exist to support or promote corporate standards
Corporation	Regional Municipality of Peel
CPM	see Corporate Performance Measurement
CPR	Canadian Pacific Railway
CPTED	Crime Prevention through Environmental Design
CPTPD	Crime Prevention through Physical Design
CRC	Community Recycling Centre
CSA	Canadian Standards Association
CUPE	Canadian Union of Public Employees
CUPID	Computer Upgrade for Peel's Information Devices

Term	Definition
Current Value Assessment (CVA)	The amount of money a willing seller can expect to receive from a willing buyer in an arm's length transaction
Customer Information System	A Water and Sewer Utility Billing and Customer Information System developed by the Region to provide the facility for utility billing, collection, meter maintenance, and a customer information data base to assist in the management and planning of the utility, and for use in general Regional planning
CUTA	Canadian Urban Transit Association
CVA	see Current Value Assessment
CVP	see Consolidated Verification Process
DBRS	Dominion Bond Rating Service
DC	see Development Charges
DCA	In reference to the 2003 Capital Budget and 2004-2012 Forecast – Ten Year Capital Program Summary report. Proposed funding noted as "DCA" is comprised of funding from Development Charges (Reserve Funds).
Desktop 2002	The implementation of the next generation of client hardware and software upon expiry of computer lease in June 2002. New products include Windows 2000/XP, Exchange 2000, Office/XP, and corresponding upgrades to other products.
Development Charges (DC)	Charges imposed by the *Development Charges By-law* against land in certain circumstances if the development of the land would increase the need for services
Development Charges By-law	Legislation established by Council on August 31, 1999 to set policy in regards to the administration of development charges
Directions for Success: Investing in Peel's Future	The Region of Peel's strategic plan
DMT	Departmental Management Team
DOC	Directly Operated Centres
DOCC	Directly Operated Child Care
DOCCC	Directly Operated Child Care Centres
Downloading	Provincial action to shift administrative and/or financial burdens of programs previously under provincial mandate to regions and/or municipalities
DVERS	Domestic Violence Emergency Response System
EE	Excellence Expedition
EFW	see Energy from Waste
EIM	see Electronic Information Management

Term	Definition
Electronic Information Management (EIM)	Evaluation and selection of software for record and document management
Emergency Measures Planning (EMP)	Region-wide disaster contingency planning
EMP	see Emergency Measures Planning
EMS	Emergency Medical Services
EMT	Executive Management Team
Energy from Waste (EFW)	The production of electrical energy from the incineration of waste
ERT	Emergency Response Team
ERU	Emergency Response Unit
ESA	Environmentally Sensitive Areas
ETR	Exception Time Reporting
External	In reference to the 2003 Capital Budget and 2004-2012 Forecast – Ten Year Capital Program Summary report. Proposed funding noted as "External" is comprised of funding from sources other than the Region of Peel – such as Provincial subsidy and recoveries from area municipalities.
FCI	Facility Condition Index
Financial Management Information System (FMIS)	The PeopleSoft module currently in use for the general ledger, accounts payable, purchasing and accounts receivable
Fiscal Year	A 12-month period for which budgets are prepared and accounting records are maintained. The fiscal year for the Region is January 1 to December 31.
FMIS	see Financial Management Information System
FTE	see Full-time Equivalent
Full-time Equivalent (FTE)	A measure of staffing equivalent to that produced by one person working full-time for one year
Geographic Information System (GIS)	A system that integrates existing regional graphic and tabular spatial data into a common shared repository
GFOA	see Government Finance Officers Association (GFOA) Award
GIS	see Geographic Information System
GO Transit	see Greater Toronto Transit Authority
Government Finance Officers Association (GFOA)Award	A North American association of government financial officers. The premier association of public sector finance professionals dedicated to providing high quality support to state and local governments. The prestigious annual award is considered the highest form of recognition in governmental budgeting.

Term	Definition
Grant	A contribution from a level of government to support a particular function, service or program
Greater Toronto Area (GTA)	The geographic area of jurisdiction of the City of Toronto and the four surrounding regional municipalities of Durham, Halton, Peel and York. This area covers approximately 7,200 square kilometres and contains a total of 25 local area municipalities.
Greater Toronto Services Board (GTSB)	The former provincial board with the objective of promotion and facilitation of co-ordinated decision making among the GTA municipalities with the responsibility to exercise direction and control over GO Transit. The GTSB was dissolved in 2002.
Greater Toronto Transit Authority (GO Transit)	An inter-regional transit network for the GTA and surrounding communities
GRIT	Gang-Related Intervention Team
GTA	see Greater Toronto Area
GTA Equalization	see GTA Pooling
GTA Pooling	A redistribution of funds from the GTA regions (including Peel) to the City of Toronto to recognize the social and economic interdependence within the GTA and to ensure that Toronto is not unfairly burdened with costs that result from being geographically at the core of a single catchment area for social services
GTA Working Group	This group consists of staff from the Regions of Peel, Durham and York, the City of Toronto and the provincial Ministries of Municipal Affairs and Housing and Finance. The Working Group was established in 1998 to consider modifications to the GTA Pooling model to improve fairness for member municipalities.
GTSB	see Greater Toronto Services Board
Hansen	Infrastructure management based on comprehensive asset inventory
HRDC	see Human Resources Development Canada
HRMS	Human Resources Management System
Human Resources Development Canada (HRDC)	A federal government organization with a mission to enable Canadians to participate fully in the workplace and the community
ICR	see Internal Charges and Recoveries
IMET	Integrated Municipal Enforcement Team
IMS	see Infrastructure Management System
InfoPeel	The Region of Peel's "information repository" of important Regional documents currently stored on Pathways
Infrastructure Management System (IMS)	A computerized maintenance management system for Public Works' assets (e.g. manholes, pumping stations)

Term	Definition
Integrated Planning and Financial System (IPFS)	An automated software application, which sets out the infrastructure costs associated with servicing new growth areas
Internal	In reference to the 2003 Capital Budget and 2004-2012 Forecast – Ten Year Capital Program Summary report. Proposed funding noted as "Internal" is funding from Reserves.
Internal Charges and Recoveries (ICR)	A process by which the costs of internal support services are assigned to the businesses that consume those services
Internal Support	Services whose primary goals are to support front line service providers in delivering services to the public. These include Finance, Property Services, Public Works Services, Executive and Council, and Corporate Services.
IPFS	see Integrated Planning and Financial System
IRIMS	Integrated Recorded Information Management System
ISU	Intake Screening Unit
ISUOO	Intake Screening Units of Ontario
IVR	Interactive Voice Response
KMS Peel Inc.	The owner/operator of the incinerator and energy-from-waste plant
LEAP	Learning, Earning and Parenting Program
L.E.D.	Light Emitting Diode
Levy	Property taxation funding which is raised through taxes
Liabilities	The financial obligations of the Region to others
Line Item	Revenue or expense category such as labour, transportation, rent, user fees
Local Services Restructuring (LSR)	The download of service from the Province of Ontario to municipalities as a result of the *Local Services Realignment Bill*
Long-Term Waste Resource Management Strategy (LTWRMS)	A 20-year strategic plan for waste management within the Region of Peel
Lower-Tier Municipality	A municipality within a region (e.g. the Cities of Mississauga and Brampton and the Town of Caledon within the Region of Peel)
LSR	see Local Services Restructuring
LTTP	Lead Teacher Training Program
LTWRMS	see ***Long-Term Waste Resource Management Strategy***
Managed Competition Plan	A plan within Public Works to improve efficiency and effectiveness by competing with private sector providers
MCPA	Mississauga Crime Prevention Association

Term	Definition
MFIPPA	*Municipal Freedom of Information and Protection of Privacy Act*
ML/D	Million litres per day
MPAC	see Municipal Property Assessment Corporation
MPMP	see Municipal Performance Measurement Program
MRF	Material Recovery Facility
MSWFP	Making Services Work for People
MTO	Ministry of Transportation, Ontario
Municipal Performance Measurement Program (MPMP)	An initiative designed to provide taxpayers with useful information on service delivery and municipalities with a tool to improve those services over time. The program requires municipalities to collect data to measure their performance in nine core municipal service areas.
Municipal Property Assessment Corporation (MPAC)	Established by the *Municipal Property Assessment Corporation Act*, MPAC administers a uniform, province-wide system based on current value assessment
MWS	Mobile Workstations
National Quality Institute (NQI)	A strategic partner with the Region in achieving the goal of excellence. A not-for-profit organization whose mission is to "Inspire Excellence in Canada."
NCB	National Child Benefits
NPU	Neighbourhood Policing Units
NQI	see National Quality Institute
Oak Ridges Moraine (ORM)	A geophysical element of unique qualities located within the Region. Contentious political issue since the area is slated for extensive housing development. Citizens protest the development and want to preserve the area as a natural site.
OCBCC	Ontario Coalition for Better Child Care
OCCMS	Ontario Child Care Management System
OCWA	see Ontario Clean Water Agency
ODSP	Ontario Disability Support Payments
ODWS	Ontario Drinking Water Standards
OEYCF	Ontario Early Years Challenge Fund
OFAS	see Ontario Fair Assessment System
OMB	see Ontario Municipal Board
OMBI	see Ontario Municipal CAO's Benchmarking Initiative
OMERS	see Ontario Municipal Employees Retirement System

Term	Definition
OMSSA	Ontario Municipal Social Services Association
One Fund	An Association of Municipalities of Ontario (AMO)-operated fund managed by a private management firm
Ontario Clean Water Agency (OCWA)	The Region's contracted operator of the water and wastewater treatment plants
Ontario Fair Assessment System (OFAS)	A fair, consistent and understandable property assessment and tax system that took effect on January 1, 1998. It gives municipalities a variety of new tax options to help them design a property tax system that can meet their revenue requirements and respond to local priorities.
Ontario Municipal Board (OMB)	An independent and adjudicative tribunal that listens to the appeals and concerns of parties who object to the decisions of public authorities
Ontario Municipal CAO's Benchmarking Initiative (OMBI)	A partnership project to encourage service excellence in municipal government. Participating municipalities are working together to identify and share performance statistics, operational best practices and to network in a spirit of innovation and entrepreneurship to push for even greater success.
Ontario Municipal Employees Retirement System (OMERS)	A local government pension plan co-ordinated by the Province of Ontario and funded from municipal employee and employer contributions
OPAC	Ontario Property Assessment Corporation
Operating Budget	Estimated expenditures and revenues related to current operations for the fiscal period
ORM	see Oak Ridges Moraine
OWIP	Ontario Works in Peel
PABS	Peel Automated Budgeting System
Pathways@Peel	Also written simply as "Pathways". Region-wide intranet.
Payment in Lieu of Taxes (PILTS)	Payments made by government for their properties that are classed as exempt from realty or business taxes
Pearson International Airport (PIA)	The International Airport serving the Greater Toronto Area. The airport is located in the east central part of the Region of Peel.
Peel Living	Peel Non-Profit Housing Corporation - provides affordable housing
Peel Police Services Board	The governing body for the Peel Regional Police
PeelNet	see Corporate Data Network
PeopleSoft	Software provider for the Region's financial and Human Resources information systems
PEP	Progressive Excellence Program
PHC	Peel Heritage Complex
PHHN	Peel Heart Health Network

Term	Definition
PIA	see Pearson International Airport
PILTS	see Payment in Lieu of Taxes
POP	Problem Oriented Policing
PRIMER	Planning, resourcing, implementing, monitoring, evaluating and revising
Program	A Regional business unit formed to provide a specific type of service (e.g. Waste Management, Wastewater, Public Health)
Property Tax Supported	Programs that receive the majority of their funding from the property tax base
Province	The Province of Ontario
PSN	see Public Sector Network
Public Sector Network (PSN)	High-speed, high capacity fibre optic network owned jointly by the Region and the area municipalities which services all three hospitals in the Region, both school boards, Sheridan College, Erindale College and Community Care Access Centre of Peel
PWDO	Public Waste and Recycling Drop Off
QIIP	Queen's Institute for International Policy
RAID	Reduce Abuse in Drugs
Rate supported	see Utility Rate Supported
Realignment cap	Realignment of the provincial and municipal relationship concerning funding, management and delivery of social housing programs
Region	The geopolitical area made up of the City of Mississauga, the City of Brampton and the Town of Caledon (Region of Peel)
Regional Official Plan (ROP)	A public document which provides Regional Council with a long-term policy framework for decision-making
Regional Values	Five guiding principles for the workplace that apply to relationships with colleagues, clients, Council, residents, community agencies, and external groups
Reserve	The accumulated appropriation from current revenues at the discretion of Council. Reserves are unrestricted.
Reserve Funds	Reserve Funds are restricted assets as defined in the *Municipal Act*. They are designated to finance growth-related capital projects as governed by the *Development Charges By-law*.
RF	Radio Frequency
ROP	see ***Regional Official Plan***
ROPSU	***Regional Official Plan Strategic Update***
SAFE	Schools Against Fearful Environment

Term	Definition
SCAT	Senior Crime Around Toronto
SCR	Selective Catalytic Reduction
SCTP	Sports, Culture and Tourism Partnerships
SDMT	Service Delivery Model Technology
Service Strategy/Business Plan (SS/BP)	Sets out what services a department/division/business/program will provide and how. Supports the Region's Strategic Plan. Is renewed every new term of Regional Council, while the actions and financial information are reviewed and revised annually. Includes the following components: Mandate, Objectives, Actions, Financial Requirements and, Success Indicators.
SGMC	see Smart Growth Management Council
SHRA	*Social Housing Administration Reform Act*
SIU	Special Investigations Unit
Smart Growth Management Council (SGMC)	Councils comprised of provincial, municipal, private sector and non-profit organization representatives. These Councils will develop integrated Smart Growth Management Plans for five distinct provincial zones – Eastern, Southwestern, Northeastern, Northwestern and Central Ontario. The Smart Growth Management Plans will include a vision for economic growth, along with strategies to improve quality of life, protect the environment and ensure existing infrastructure is used efficiently.
SS/BP	see Service Strategy/Business Plan
SSMP	Servicing and Settlement Master Plans
Sun Life	The insurance company providing health benefits to employees of the Region of Peel
Supplementary Taxes	Property taxes resulting from assessment added to the tax roll after January 1 of a given tax year
Surplus	Occurs when total revenues from current operations exceed total expenditures
Tax Rate	The current value property assessment is multiplied by the tax rate to equal the amount of a taxpayer's property taxes
Tax Supported	see Property Tax Supported
Together We're Better Awards	Awards presented to recognize employees who have made an outstanding contribution to the Region
TRMI	Tax Rate Management Initiative
TTC	Toronto Transit Commission
TTS	Transportation Tomorrow Survey
U of T	University of Toronto

Term	Definition
UHU	see Unit Hours Utilization
Unbundling	Breakdown of services into specific components that permit more detailed Activity Based Costing (ABC)
Unit Hours Utilization (UHU)	Measurement of level of paramedic activity within a unit of time
Upper-Tier Municipality (UTM)	A municipality of which two or more municipalities form a part (e.g. Region of Peel comprising the lower-tier municipalities of the City of Mississauga, the City of Brampton and the Town of Caledon)
Utility Rate Supported	Programs that receive the majority of their funding from utility user fees
UTM	see Upper-Tier Municipality
VCOM	Voice Communication System
ViCLAS	Violent Crimes Linkage Analysis System
Walkerton Inquiry	A public inquiry into the E. Coli contamination of the water supply in Walkerton Ontario, and the safety of Ontario's drinking water
WDO	Waste Diversion Organization
Wes-PHix	A system designed to convert hazardous fly ash from the KMS Energy-from-waste facility to non-hazardous waste that can be disposed of at a conventional (non-hazardous) landfill site
Workplace Safety and Insurance Board (WSIB)	A board which oversees Ontario's workplace safety education and training, provides disability benefits, monitors the quality of health care, and assists in early and safe return to work programs
WRSR	Water Rate Stabilization Reserve
WSIB	see Workplace Safety and Insurance Board